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WITH EXPLANATORY NOTES

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UNITED STATES SENATE



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## FOREWORD

This collection of laws and related material frequently referred to by the Senate Committee on Foreign Relations was prepared by officers of the Department of State, the International Cooperation Administration, and the United States Information Agency in collaboration with the staff of the Senate Committee on Foreign Relations and the Legislative Reference Service of the Library of Congress.

The collection contains the texts of the laws as amended during the 85th Congress, and they are annotated to show pertinent history or cross references. No assumption as to the importance or significance of any of the material is to be made because of its inclusion or treatment here.

THEODORE FRANCIS GREEN, *Chairman.*

DECEMBER 1958.

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## A. MUTUAL SECURITY PROGRAM

### 1. The Mutual Security Act of 1954, as Amended

Text of Public Law 665, 83rd Congress [H. R. 9678], 68 Stat. 832, approved August 26, 1954, as amended by the Mutual Security Act of 1955, Public Law 138, 84th Congress [S. 2090], 69 Stat. 283, approved July 8, 1955; by the Mutual Security Act of 1956, Public Law 726, 84th Congress [H. R. 11356], 70 Stat. 555, approved July 18, 1956; by the Mutual Security Act of 1957, Public Law 85-141 [S. 2130], 71 Stat. 355, approved August 14, 1957; and by the Mutual Security Act of 1958, Public Law 85-477 [H. R. 12181], 72 Stat. 261, approved June 30, 1958.

AN ACT To promote the security and foreign policy of the United States by furnishing assistance to friendly nations, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Mutual Security Act of 1954." This Act is divided into chapters and titles, according to the following table of contents:<sup>1</sup>

#### TABLE OF CONTENTS

Chapter I—MILITARY ASSISTANCE
Chapter II—ECONOMIC ASSISTANCE
Title I—DEFENSE SUPPORT
Title II—DEVELOPMENT LOAN FUND
Title III—TECHNICAL COOPERATION
Title IV—SPECIAL ASSISTANCE AND OTHER PROGRAMS
Chapter III—CONTINGENCY FUND
Chapter IV—GENERAL AND ADMINISTRATIVE PROVISIONS <sup>2</sup>

SEC. 2.<sup>3</sup> STATEMENT OF POLICY.—(a) The Congress of the United States recognizing that the peace of the world and the security of the United States are endangered as long as international communism and the nations it controls continue by threat of military action, use of economic pressure, internal subversion, or other means to attempt to

[NOTE.—The Mutual Security Act will be referred to as the MSAct.]

<sup>1</sup> 22 U. S. C. § 1751. This sentence and the following TABLE OF CONTENTS added by sec. 2 of the MSAct of 1958.

<sup>2</sup> Sec. 501 of CHAPTER V of the MSAct of 1958 reorganized the form of the MSAct of 1954, as amended, as follows:

Sec. 501 (1) struck out, immediately before sec. 101, the title and chapter heading, which read: "TITLE I—MUTUAL DEFENSE ASSISTANCE—Chapter 1—Military Assistance", and substituted therefor "CHAPTER I—MILITARY ASSISTANCE";

Sec. 501 (2) struck out, immediately before sec. 131, the chapter heading, which read: "Chapter 3—Defense Support", and substituted therefor "CHAPTER II—ECONOMIC ASSISTANCE—TITLE I—DEFENSE SUPPORT".

Sec. 501 (5) struck out, immediately before sec. 141, the chapter heading, which read: "Chapter 4—General Provisions Relating to Mutual Defense Assistance";

Sec. 501 (11) amended the heading of TITLE IV, which read: "TITLE IV—OTHER PROGRAMS" to read "TITLE IV—SPECIAL ASSISTANCE AND OTHER PROGRAMS";

Sec. 501 (12) (A) inserted, immediately after sec. 420, the following new chapter heading: "CHAPTER III—CONTINGENCY FUND";

Sec. 501 (12) (B) redesignated former sec. 401 as sec. 451 of chapter III;

Sec. 501 (16) struck out, immediately before sec. 501, the title and chapter heading, which read: "TITLE V—MISCELLANEOUS PROVISIONS—Chapter 1—General Provisions" and substituted therefor "CHAPTER IV—GENERAL AND ADMINISTRATIVE PROVISIONS";

Sec. 501 (23) struck out, immediately before sec. 521, the chapter heading, which read: "Chapter 2—Organization and Administration"; and

Sec. 501 (30) struck out, immediately before sec. 541, the chapter heading, which read: "Chapter 3—Repeal and Miscellaneous Provisions".

<sup>3</sup> 22 U. S. C. § 1750. Added by sec. 2 of the MSAct of 1958.

bring under their domination peoples now free and independent and continue to deny the rights of freedom and self-government to peoples and nations once free but now subject to such domination, declares it to be the policy of the United States to continue as long as such danger to the peace of the world and to the security of the United States persists to make available to free nations and peoples upon request assistance of such nature and in such amounts as the United States deems advisable compatible with its own stability, strength, and other obligations, and as may be needed and effectively used by such free nations and peoples to help them maintain their freedom.

(b) <sup>4</sup> It is the sense of the Congress that inasmuch as—

(1) the United States, through mutual security programs, has made substantial contributions to the economic recovery and rehabilitation of the nations of Western Europe;

(2) due in part to those programs, it has been possible for such nations to achieve complete economic recovery and to regain their military strength; and

(3) certain other friendly nations of the world remain in need of assistance in order that they may defend themselves against aggression and contribute to the security of the free world, those nations that have been assisted in their recovery should, in the future, share with the United States to a greater extent the financial burden of providing aid to those countries which are still in need of assistance of the type provided under this Act.

(c) <sup>5</sup> It is the sense of the Congress that assistance under this Act shall be administered so as to assist other peoples in their efforts to achieve self-government or independence under circumstances which will enable them to assume an equal station among the free nations of the world and to fulfill their responsibilities for self-government or independence.<sup>6</sup>

#### CHAPTER I—MILITARY ASSISTANCE

SEC. 101.<sup>7</sup> PURPOSE OF CHAPTER.—The Congress of the United States reaffirms the policy of the United States to achieve international peace and security through the United Nations so that armed force shall not be used except in the common defense. The Congress hereby finds that the efforts of the United States and other nations to promote peace and security require additional measures of support based upon the principle of continuous and effective self-help and mutual aid. It is the purpose of this chapter to authorize measures in the common defense, including the furnishing of military assistance to friendly nations and international organizations in order to promote the foreign policy, security, and general welfare of the United States and to facilitate the effective participation of such nations in arrangements for individual and collective self-defense. In furnishing such military assistance, it remains the policy of the United States to continue to exert maximum efforts to achieve universal control of weapons of mass destruction and universal regulation and reduction of armaments, including armed

<sup>4</sup> Former sec. 549 (a), inserted by the MSAAct of 1955 was redesignated sec. 2 (b) by sec. 2 of the MSAAct of 1956.

<sup>5</sup> Former sec. 549 (b) inserted by the MSAAct of 1955 was redesignated sec. 2 (c) by sec. 2 of the MSAAct of 1956.

<sup>6</sup> See footnote 2.

<sup>7</sup> 22 U. S. C. § 1811.

forces, under adequate safeguards to protect complying nations against violation and evasion.

The Congress reaffirms its previous expressions favoring the creation by the free peoples of the Far East and the Pacific of a joint organization, consistent with the Charter of the United Nations, to establish a program of self-help and mutual cooperation designed to develop their economic and social well-being, to safeguard basic rights and liberties and to protect their security and independence.

The Congress hereby reiterates its opposition to the seating in the United Nations of the Communist China regime as the representative of China.<sup>8</sup> In the event of the seating of representatives of the Chinese regime in the Security Council or General Assembly of the United Nations, the President is requested to inform the Congress insofar as is compatible with the requirements of national security, of the implications of this action upon the foreign policy of the United States and our foreign relationships, including that created by membership in the United Nations, together with any recommendations which he may have with respect to the matter.

Sec. 102.<sup>9</sup> GENERAL AUTHORITY.—Military assistance may be furnished under this chapter on a grant or loan basis<sup>10</sup> and upon such other appropriate terms as may be agreed upon, by the procurement from any source and the transfer to eligible nations and international organizations of equipment, materials, and services or by the provision of any service, including the assignment or detail of members of the Armed Forces and other personnel of the Department of Defense solely to assist in an advisory capacity or to perform other duties of a non-combatant nature, including military training or advice.<sup>11</sup>

NOTE.—The amount appropriated by the Mutual Security Appropriation Act, 1959, appears as a footnote to each authorization in the Mutual Security Act of 1954, as amended. Section 104 of the Mutual Security Appropriation Act, 1959, states: "Except for the appropriations entitled 'President's special authority and contingency fund' and 'Development loan fund', not more than 20 percentum of any appropriation item made available by this Act shall be obligated and/or reserved during the last month of availability."

<sup>8</sup> See also sec. 12, MSA of 1955, page 63, and sec. 105, Mutual Security Appropriation Act, 1959, page 69.

<sup>9</sup> 22 U. S. C. § 1812.

<sup>10</sup> See also sec. 505 of this Act.

<sup>11</sup> See also 10 U. S. C. § 712, subsec. (b) of which was amended by sec. 502 (k) of the MSA of 1958, effective April 1, 1959, which provides:

"(a) Upon the application of the country concerned, the President, whenever he considers it in the public interest, may detail members of the Army, Navy, Air Force, and Marine Corps to assist in military matters—

"(1) any republic in North America, Central America, or South America;

"(2) the Republic of Cuba, Haiti, or Santo Domingo; and

"(3) during a war or a declared national emergency, any other country that he considers it advisable to assist in the interest of national defense.

"(b) Subject to the prior approval of the Secretary of the military department concerned, a member detailed under this section may accept any office from the country to which he is detailed. He is entitled to credit for all service while so detailed, as if serving with the armed forces of the United States. Arrangements may be made by the President, with countries to which such members are detailed to perform functions under this section, for reimbursement to the United States or other sharing of the cost of performing such functions."

SEC. 103.<sup>12</sup> AUTHORIZATIONS.—(a) <sup>13</sup> There is hereby authorized to be appropriated to the President for use beginning in the fiscal year 1959 to carry out the purposes of this chapter not to exceed \$1,605,-000,000<sup>14</sup> which shall remain available until expended.

(b) Funds made available pursuant to subsection (a) of this section shall be available for the administrative and operating expenses of carrying out the purpose of this chapter<sup>15</sup> including expenses incident to United States participation in international security organizations.<sup>16</sup>

(c) <sup>17</sup> When appropriations made pursuant to subsection (a) of this section are used to furnish military assistance on terms of repayment within ten years or earlier such assistance may be furnished, notwithstanding sections 105, 141, and 142, to nations eligible to purchase military equipment, materials, and services under section 106. When appropriations made pursuant to this section are used to furnish military assistance on terms of repayment within three years or earlier, dollar repayments, including dollar proceeds derived from the sale of foreign currency received hereunder to any United States Government agency or program, may be credited to the current applicable appropriation and shall be available until expended for the purposes of military assistance on terms of repayment, and, notwithstanding section 1415 of the Supplemental Appropriation Act, 1953,<sup>18</sup> or any other provision of law relating to the use of foreign currencies or other receipts accruing to the United States, repayments in foreign currency may be used for the purposes of this chapter: *Provided*, That the authority in this sentence shall apply to repayments from not to exceed \$175,000,000 of the appropriations used for such assistance.<sup>19</sup>

SEC. 104.<sup>20</sup> INFRASTRUCTURE.—(a) The President is authorized to make contributions to infrastructure programs of the North Atlantic

<sup>12</sup> 22 U. S. C. § 1813.

<sup>13</sup> Subsec. (a) was amended by sec. 2 (a) (1) of the MSAAct of 1957. It formerly read as follows:

"There is hereby authorized to be appropriated to the President, in addition to appropriations authorized by section 104, not to exceed \$1,270,000,000 to carry out the purpose of this chapter; and, in addition, unexpended balances of appropriations for military assistance under each paragraph of the Mutual Security Appropriation Act, 1954 (including the appropriation for mutual special weapons planning), are hereby authorized to be continued available for the purpose of this chapter and to be consolidated with the appropriation authorized by this subsection; all of which is hereby authorized to be continued available through June 30, 1955.

"(2) In addition, there is hereby authorized to be appropriated to the President to carry out the purposes of this chapter not to exceed \$1,133,000,000, to remain available until expended.

"(3) In addition, there is hereby authorized to be appropriated to the President to carry out the purposes of this chapter not to exceed \$2,225,000,000, which shall remain available until expended."

<sup>14</sup> Mutual Security Appropriation Act, 1959—\$1,515,000,000.

<sup>15</sup> The words "and of section 124" after "chapter" were deleted by sec. 2 (a) (2) of the MSAAct of 1957.

<sup>16</sup> Mutual Security Appropriation Act, 1959, permits the use of not to exceed \$25,000,000 of the military assistance appropriation for administrative expenses to carry out the purposes of chapter I.

<sup>17</sup> This subsection was substituted by sec. 2 (c) of the MSAAct of 1955 for repealed sec.

<sup>18</sup> 103 (c) of the MSAAct of 1954, which read as follows:

"(c) Funds made available pursuant to subsection (a) of this section may be used for the procurement of equipment or materials outside the United States unless the President determines that such procurement will result in one or more of the following conditions:

"(1) Adverse effects upon the economy of the United States, with special reference to any areas of labor surplus, or upon the industrial mobilization base, which outweigh the strategic and logistic advantages to the United States of procurement abroad;

"(2) Production of such equipment or materials outside the United States under inadequate safeguards against sabotage or the release to potential enemies of information detrimental to the security of the United States;

"(3) Unjustifiable cost in comparison with procurement in the United States, taking into account transportation costs for delivery overseas; and

"(4) Delays in delivery incompatible with United States defense objectives."

<sup>18</sup> For text, see page 74.

<sup>19</sup> This last sentence was added by sec. 2 (a) (3) of the MSAAct of 1957.

<sup>20</sup> 22 U. S. C. § 1814.

Treaty Organization,<sup>21</sup> in accordance with agreements<sup>22</sup> made between the member nations, out of funds made available pursuant to this section, or section 103, or chapter IX of the Supplemental Appropriation Act, 1953, of amounts totaling not more than \$1,000,000,000,<sup>23</sup> less amounts already contributed for such purpose.<sup>24</sup> Such contributions by the United States shall not exceed its proportionate share, as heretofore agreed upon, of the expenses of such programs.

(b) When the President determines that it is in the interest of the security of the United States to participate in programs for the acquisition or construction of facilities in foreign nations for collective defense other than programs of the North Atlantic Treaty Organization, he may use for such purpose funds made available under section 103 or local currencies made available under section 402 in amounts totaling not more than \$50,000,000.

(c) Notwithstanding section 501 of this Act, no funds other than those referred to in subsections (a) and (b) of this section may be expended for the purposes of this section. No funds shall be expended under this section for rental or purchase of land or for payment of taxes.

SEC. 105.<sup>25</sup> CONDITIONS APPLICABLE TO MILITARY ASSISTANCE.<sup>26</sup>—(a) Military assistance may be furnished under this chapter to any nation whose increased ability to defend itself the President shall have determined to be important to the security of the United States and which is otherwise eligible to receive such assistance. Equipment and materials furnished under this chapter shall be made available solely to maintain the internal security and legitimate self-defense of the recipient nation, or to permit it to participate in the defense of its area or in collective security arrangements and measures consistent with the Charter of the United Nations. The President shall be satisfied that such equipment and materials will not be used to undertake any act of aggression against any nation.

(b) In addition to the authority and limitations contained in the preceding subsection, the following provisions shall apply to particular areas:

(1) <sup>27</sup> The Congress welcomes the recent progress in European cooperation and reaffirms its belief in the necessity of further efforts toward political federation, military integration, and economic unification as a means of building strength, establishing security, and preserving peace in the North Atlantic area. In order to provide further encouragement to such efforts, the Congress believes it essential that this Act should be so administered

<sup>21</sup> For text of North Atlantic Treaty, see page 337.

<sup>22</sup> The word "already" after "agreements" was deleted by sec. 2 (b) of the MSAAct of 1957.

<sup>23</sup> "\$1,000,000,000" was substituted for "\$780,000,000" by sec. 2 (b) of the MSAAct of 1957.

<sup>24</sup> The former second sentence of sec. 104 (a) was deleted by sec. 2 (b) of the MSAAct of 1957. It read as follows: "There is hereby authorized to be appropriated to the President for such purpose, in installments prior to June 30, 1958, not to exceed \$321,000,000, to remain available until expended."

<sup>25</sup> 22 U. S. C. § 1815.

<sup>26</sup> See also secs. 141 and 142 of this Act.

<sup>27</sup> This paragraph was amended by sec. 2 (d) of the MSAAct of 1955. It formerly read as follows:

"(1) In order to promote an integrated defense of the North Atlantic area and to support concrete measures for political federation, military integration, and economic unification in Europe, equipment and materials of the value programmed for fiscal years 1954 and 1955 for nations signing the treaty constituting the European Defense Community shall, pending the coming into force of the treaty, be delivered only to such of these nations as have ratified the treaty, and have joined together in or are developing collective defense programs in a manner satisfactory to the United States as determined by the President."

as to support concrete measures to promote greater political federation, military integration, and economic unification in Europe, including coordinated production and procurement programs participated in by the members of the North Atlantic Treaty Organization<sup>28</sup> to the greatest extent possible with respect to military equipment and materials to be utilized for the defense of the North Atlantic area.<sup>29</sup>

(2) Military assistance furnished to any nation in the Near East and Africa<sup>30</sup> to permit it to participate in the defense of its area shall be furnished only in accordance with plans and arrangements which shall have been found by the President to require the recipient nation to take an important part therein.

(3) In furnishing military assistance in Asia,<sup>31</sup> the President shall give the fullest assistance, as far as possible directly, to the free peoples in that area, including the Associated States of Cambodia, Laos, and Vietnam, in their creation of a joint organization, consistent with the Charter of the United Nations, to establish a program of self-help and mutual cooperation designed to develop their economic and social well-being, to safeguard basic rights and liberties, and to protect their security and independence.

(4) Military assistance may be furnished to the other American Republics only in accordance with defense plans which shall have been found by the President to require the recipient nation to participate in missions important to the defense of the Western Hemisphere.<sup>32</sup> The President annually shall review such findings and shall determine whether military assistance is necessary. Internal security requirements shall not normally be the basis for military assistance programs to American Republics.<sup>33</sup>

<sup>28</sup> For text of North Atlantic Treaty, see page 337.

<sup>29</sup> The last half of this sentence, beginning with the words "including coordinated", added by sec. 102 of the MSAct of 1958.

<sup>30</sup> Sec. 2 (e) of the MSAct of 1955 amended this paragraph by striking out "Near East, Africa, and South Asia" and inserting in lieu thereof "Near East and Africa".

<sup>31</sup> Sec. 2 (e) of the MSAct of 1955 amended this paragraph by striking out "the Far East and the Pacific" and inserting in lieu thereof "Asia". The words "and in carrying out the provisions of section 121 of this Act" after "Asia", were deleted by sec. 2 (c) of the MSAct of 1957.

<sup>32</sup> Subsecs. (c) and (d) of sec. 105 of the MSAct of 1954 were deleted by sec. 3 (b) of the MSAct of 1956. They read as follows:

"(c) The Secretary of Defense shall insure that the value (as determined pursuant to section 545) of equipment, materials, and services heretofore furnished under military assistance programs authorized by Acts repealed by this Act or hereafter furnished pursuant to section 103 (a) to nations or organizations in each of the four areas named in this subsection shall not exceed the total of the funds heretofore made available for military assistance in that area pursuant to Acts repealed by this Act plus the amount herein specified for that area:

"(1) In the European area (excluding Greece and Turkey), \$617,500,000.

"(2) In the Near East (including Greece and Turkey) and Africa, \$181,200,000.

"(3) In Asia, \$583,600,000.

"(4) In the Western Hemisphere, \$13,000,000.

"(d) Whenever the President determines it to be necessary for the purpose of this title, equipment, materials, and services of a value not to exceed 15 per centum of the sum of (1) that portion of the unexpended balances referred to in section 103 (a) which was available on June 30, 1954, to furnish assistance in any of the areas named in subsection (c) of this section, and (2) the amount specified in the applicable paragraph of subsection (c) of this section for additional assistance in such area, may be furnished in any other such area or areas, notwithstanding the limitations set forth in subsection (c) of this section. Funds heretofore obligated or programmed or hereafter made available solely for the purpose of section 104 (pertaining to infrastructure) shall not be included in the total fixed for each such area. Funds heretofore appropriated for military assistance in a particular geographic area but transferred from such use under section 513 of the Mutual Security Act of 1951, as amended, or under section 408(c) of the Mutual Defense Assistance Act, shall be included in the total for the area for the benefit of which such transfer was made, and not in the total for the area from which the transfer was made."

<sup>33</sup> The last two sentences of this paragraph were added by sec. 103 of the MSAct of 1958.

SEC. 106.<sup>34</sup> SALE OF MILITARY EQUIPMENT, MATERIALS, AND SERVICES.—(a) The President may, in order to carry out the purposes of this chapter, sell or enter into contracts (without requirement for charge to any appropriation or contract authorization) for the procurement for sale of equipment, materials, or services to any nation or international organization: *Provided*, That prior to the transfer of any such equipment, materials, or services to any nation which has not signed an agreement under section 142 of this Act or joined with the United States in a regional collective defense arrangement, the President shall have received commitments satisfactory to him that such equipment, materials, or services are required for and will be used by such nation solely to maintain its internal security, its legitimate self-defense, or to permit it to participate in the defense of the area of which it is a part, or in collective security arrangements and measures consistent with the Charter of the United Nations, and that it will not undertake any act of aggression against any other state.

(b) Whenever equipment or materials are sold from the stocks of or services are rendered by any United States Government agency to any nation or international organization as provided in subsection (a), such nation or international organization shall first make available the fair value, as determined by the President, of such equipment, materials, or services before delivery or, when the President determines it to be in the best interests of the United States, within sixty days thereafter or, as determined by the President, within a reasonable period not to exceed three years. The fair value for the purpose of this subsection shall not be less than the value as defined in subsection (h) of section 545: *Provided*, That with respect to excess equipment or materials the fair value may not be determined to be less than (i) the minimum value specified in that subsection plus the scrap value, or (ii) the market value, if ascertainable, whichever is the greater. Before a contract for new production is entered into, or rehabilitation work is undertaken, such nation or international organization shall (A) provide the United States with a dependable undertaking to pay the full amount of such contract or the cost of such rehabilitation which will assure the United States against any loss on the contract or rehabilitation work, and (B) shall make funds available in such amounts and at such times as may be necessary to meet the payments required by the contract or the rehabilitation work in advance of the time such payments are due, in addition to the estimated amount of any damages and costs that may accrue from the cancellation of such contract or rehabilitation work.

(c) Sections 105, 141, and 142 shall not apply with respect to assistance furnished under this section.

SEC. 107.<sup>35</sup> WAIVERS OF LAW.—(a) The President may perform any of the functions authorized under this chapter without regard to (1) the provisions of title 10, United States Code, section 7307 (a)<sup>36</sup>; and (2) such provisions as he may specify of the joint resolution of November 4, 1939 (54 Stat. 4), as amended.

<sup>34</sup> 22 U. S. C. § 1816.

<sup>35</sup> 22 U. S. C. § 1817.

<sup>36</sup> Sec. 2 (d) (1) of the MSAct of 1957 substituted "10 U. S. C. 7307 (a)" for "10 U. S. C. 1262 (a), and title 34, United States Code, section 546 (e)".

(b) Notwithstanding the provisions of title 10, United States Code, section 3544 (b) and 8544 (b)<sup>37</sup>, personnel of the Department of Defense may be assigned or detailed to any civil office for the purpose of enabling the President to furnish assistance under this Act.

SEC. 108.<sup>38</sup> TRANSFER OF MILITARY EQUIPMENT TO JAPAN.—\* \* \*

(Repealed)

CHAPTER 2.<sup>39</sup> SOUTHEAST ASIA AND THE WESTERN PACIFIC,  
AND DIRECT FORCES SUPPORT \* \* \*(Repealed)

NOTE APPLICABLE TO ALL SUBSEQUENT SECTIONS OF THIS ACT.—Mutual Security Appropriation Act, 1959—“Funds appropriated under each paragraph of this Act (other than appropriations under the head of military assistance), including unobligated balances contained available, and amounts certified pursuant to section 1311 of the Supplemental Appropriation Act, 1955, as having been obligated against appropriations heretofore made for the same general purpose as such paragraph, which amounts are hereby continued available (except as may otherwise be specified in this Act) for the same general period as the respective appropriations in this Act for the same general purpose, may be consolidated in one account for each paragraph.” (Page 68.)

<sup>37</sup> Sec. 2 (d) (2) of the MSAct of 1957 substituted “10 U. S. C. 3544 (b) and 8544 (b)” for “Revised Statutes 1222 (10 U. S. C. 576)”.

<sup>38</sup> This section was repealed by the MSAct of 1957. The repealed section read as follows:

“SEC. 108. TRANSFER OF MILITARY EQUIPMENT TO JAPAN.—In addition to any program of military assistance for which funds may be appropriated pursuant to this Act, the President is hereby authorized to transfer to the Government of Japan, until June 30, 1956, upon such terms and conditions as he may specify, and upon its request, United States military equipment and supplies programmed for Japan to meet its internal security requirements for which Department of Defense appropriations were obligated prior to July 1, 1953. No appropriation shall be requested to replace the military equipment and supplies so transferred, and no funds heretofore or hereafter appropriated for the purpose of this chapter shall be available for reimbursement to any United States Government agency on account of any transfer made pursuant to this section.”

<sup>39</sup> This chapter was repealed by the MSAct of 1957. The repealed chapter read as follows:

“CHAPTER 2.—SOUTHEAST ASIA AND THE WESTERN PACIFIC, AND DIRECT FORCES SUPPORT

“SEC. 121. SOUTHEAST ASIA AND THE WESTERN PACIFIC.—There is hereby authorized to be appropriated to the President for the fiscal year 1955, to be made available on such terms and conditions, including transfer of funds, as he may specify, not to exceed \$700,000,000 for expenses necessary for the support of the forces of nations in the area of Southeast Asia, including the furnishing, as far as possible, of direct assistance to the Associated States of Cambodia, Laos, and Vietnam as well as to the forces of other free nations in the area including those of France located in such Associated States and for other expenditures to accomplish in Southeast Asia and the Western Pacific the policies and purposes declared in this Act. In addition, the unexpended balances of funds allocated from appropriations made pursuant to sections 304 and 540 of the Mutual Security Act of 1951, as amended, for the purpose of support of the forces of the Associated States of Cambodia, Laos, and Vietnam and the forces of France located in the Associated States, are hereby authorized to be continued available for the purpose of this section through June 30, 1955, and to be consolidated with the appropriation authorized by this section. Assistance under this title shall be made available subject to the provisions of sections 141 and 142, except that (1) in the case of assistance to the Associated States of Cambodia, Laos, and Vietnam, and (2) in the case of assistance (not to exceed in the aggregate 10 per centum of the amount appropriated pursuant to this section, excluding unexpended balances of prior appropriations) to other nations, the President may waive specific provisions of section 142 to the extent he may deem necessary in the national interest to carry out the purposes of this Act. The President or such officer as he may designate shall report each instance of such waiver to the Foreign Relations, Appropriations, and Armed

## CHAPTER II—ECONOMIC ASSISTANCE<sup>40</sup>

### TITLE I—DEFENSE SUPPORT

SEC. 131.<sup>41</sup> GENERAL AUTHORITY.—(a) The President is hereby authorized to furnish, to nations and organizations eligible to receive military assistance under Chapter I<sup>42</sup>, or to nations which have joined with the United States in a regional collective defense arrangement, commodities, services, and financial and other assistance specifically<sup>43</sup> designed to sustain and increase military effort. In furnishing such assistance, the President may provide for the procurement and transfer from any source of any commodity or service (including processing, storing, transporting, marine insurance, and repairing) or any technical information and assistance.

(b)<sup>44</sup> There is hereby authorized to be appropriated to the President for use beginning in the fiscal year 1959<sup>45</sup> to carry out the purposes of this section not to exceed \$810,000,000,<sup>46</sup> which shall remain available until expended.<sup>47</sup>

Services Committees of the Senate and the Foreign Affairs, Appropriations, and Armed Services Committees of the House of Representatives within thirty days.

"It is the sense of the Congress that no part of the funds appropriated under this section shall be used on behalf of governments which are committed by treaty to maintain Communist rule over any defined territory of Asia.

"SEC. 122. PRODUCTION FOR FORCES SUPPORT.—There is hereby authorized to be appropriated to the President for the fiscal year 1955, to be made available on such terms and conditions, including transfer of funds, as he may specify, not to exceed \$35,000,000 for manufacture in the United Kingdom of military aircraft required by United Kingdom forces for the defense of the North Atlantic area. In addition, unexpended balances of appropriations made pursuant to section 102 of the Mutual Security Act of 1951, as amended, are hereby authorized to be continued available for their original purposes through June 30, 1955, and the unexpended balance of the appropriation made pursuant to the second clause of that section is authorized to be consolidated with the appropriation authorized by this section.

"SEC. 123. COMMON USE ITEMS.—There is hereby authorized to be appropriated to the President for the fiscal year 1955 not to exceed \$60,000,000 for the provision of any common-use equipment, materials, commodities, or services which are to be used by military forces of nations receiving assistance under chapter 1 of this title. Programs authorized by this section shall be administered in accordance with the provisions of chapter 1 or chapter 3 of this title.

"SEC. 124. DIRECT FORCES SUPPORT.—There is hereby authorized to be appropriated to the President for the fiscal year 1956 not to exceed \$317,200,000 to provide assistance in the form of direct forces support to be delivered or rendered directly to the military forces of nations eligible for military assistance under chapter 1 of this title. The President may, notwithstanding the provisions of section 501, consolidate all or any part of appropriations made pursuant to this section with appropriations made pursuant to section 103. Programs authorized by this section may be administered in accordance with the provisions of chapter 1 or chapter 3 of this title."

<sup>40</sup>See footnote 2.

<sup>41</sup>22 U. S. C. § 1841.

<sup>42</sup>Sec. 501 (3) of the MSAAct of 1958 struck out "chapter 1 of this title" and inserted in lieu thereof "chapter I."

<sup>43</sup>The word "specifically" was added by sec. 4 (a) (1) of the MSAAct of 1957.

<sup>44</sup>Subsec. (b) was amended by sec. 4 (a) (2) of the MSAAct of 1957. It formerly read as follows:

"(b) There is hereby authorized to be appropriated to the President for the fiscal year 1955 to carry out the provisions of this section, not to exceed—

"(1) \$46,000,000 for Europe (excluding Greece and Turkey);

"(2) \$73,000,000 for the Near East (including Greece and Turkey), Africa, and South Asia; and

"(3) \$80,098,195 for the Far East and the Pacific.

"In addition, unexpended balances of appropriations heretofore made pursuant to section 541 of the Mutual Security Act of 1951, as amended, are hereby authorized to be continued available for the purpose of this subsection through June 30, 1955, and to be consolidated with the appropriation authorized for the same area by this subsection: *Provided*, That portions of such unexpended balances which have been allocated to assistance for Greece and Turkey shall be consolidated with the appropriation authorized by paragraph (2) of this subsection."

<sup>45</sup>Sec. 201 of the MSAAct of 1958 struck out "1958" and inserted "1959" in lieu thereof.

<sup>46</sup>Sec. 201 of the MSAAct of 1958 struck out "\$750,000,000" and inserted "\$810,000,000" in lieu thereof.

<sup>47</sup>Mutual Security Appropriation Act, 1959—\$750,000,000: "Provided, That not less than \$50,000,000 thereof shall be available for Spain exclusive of technical cooperation";

(c) <sup>48</sup> In providing assistance in the procurement of commodities in the United States, United States dollars shall be made available for marine insurance on such commodities where such insurance is placed on a competitive basis in accordance with normal trade practice prevailing prior to the outbreak of World War II: *Provided*, That in the event a participating country, by statute, decree, rule, or regulation, discriminates against any marine insurance company authorized to do business in any State of the United States, then commodities purchased with funds provided hereunder and destined for such country shall be insured in the United States against marine risk with a company or companies authorized to do a marine insurance business in any State of the United States.

(d) <sup>49</sup> To the extent necessary to accomplish the purposes of this section in Korea (1) assistance may be furnished under this section without regard to the other provisions of this title or chapter I <sup>50</sup> and (2) the authority provided in section 307 may be exercised in furnishing assistance under subsection (a) of this section; and funds available under this section may be used for payment of ocean freight charges on shipments for relief and rehabilitation in Korea without regard to section 409 of this Act.

SEC. 132.<sup>51</sup> KOREAN PROGRAM.—\* \* \* (Repealed)

<sup>48</sup> Sec. 4 (a) (3) of the MSA of 1957 struck out former subsection "(c)" and redesignated as subsection "(c)" former subsection "(d)", which had been added by sec. 4 of the MSA of 1955. Former subsection "(c)" read as follows.

"(c) There is hereby authorized to be appropriated to the President for the fiscal year 1956 to carry out the provisions of this section, not to exceed—

"(1) \$92,000,000 for Europe (excluding Greece and Turkey);  
"(2) \$102,500,000 for the Near East (including Greece and Turkey) and Africa;

and  
"(3) \$827,800,000 for Asia;

and for the fiscal year 1957 not to exceed—

"(1) \$71,200,000 for Europe (excluding Greece and Turkey);  
"(2) \$170,000,000 for the Near East (including Greece and Turkey) and Africa;  
"(3) \$882,000,000 for Asia; and

"(4) \$52,000,000 for Latin America.

Funds made available under paragraph (4) may be used to furnish assistance designed to sustain and increase military effort or political or economic stability, and may be used without regard to the requirements of sections 141 and 142 in the case of any nation which is a party to the Inter-American Treaty of Reciprocal Assistance and which has adhered to the resolution of 1954 entitled: 'Declaration of Solidarity for the Preservation of the Political Integrity of the American States against the Intervention of International Communism.' Of the funds made available under paragraph (4), the sum of \$15,000,000 shall remain available until expended, notwithstanding any other provision of this subsection, and in the utilization of such sum preference shall be given to (A) projects or programs that will clearly contribute to promoting health, education, and sanitation in the area as a whole or among a group or groups of countries of the area, (B) joint health, education, and sanitation assistance programs undertaken by members of the Organization of American States, and (C) such land resettlement programs as will contribute to the resettlement of foreign and native migrants in the area as a whole, or in any country of the area, for the purpose of advancing economic development and agricultural and industrial productivity: *Provided*, That assistance under this sentence shall emphasize loans rather than grants wherever possible, and not less than 75 per centum of the funds made available for assistance under this sentence shall be available only for furnishing assistance on terms of repayment in accordance with the provisions of section 505.

Funds made available for assistance to Korea from appropriations authorized by this section may be used in accordance with the applicable provisions of section 132 of this Act.

<sup>49</sup> Subsection "(d)" was added by sec. 4 (a) (4) of the MSA of 1957. It was drawn from repealed sec. 132 (for text, see footnote 51 below).

<sup>50</sup> Sec. 501 (4) of the MSA of 1958 inserted the words "or chapter I".

<sup>51</sup> This section was repealed by the MSA of 1957. The repealed section read as follows:

"SEC. 132. KOREAN PROGRAM.—(a) There is hereby authorized to be appropriated to the President for the fiscal year 1955 not to exceed \$205,000,000 to be expended, upon terms and conditions specified by the President, for defense support, relief and rehabilitation, and other necessary assistance (including payment of ocean freight charges on shipments for relief and rehabilitation, without regard to section 409 of this Act) in those parts of Korea which the President shall have determined to be not under Communist control. In addition, unexpended balances of funds heretofore allocated for the purpose of relief and rehabilitation in Korea pursuant to the paragraph entitled 'Relief and Rehabilitation in Korea,' chapter VII, Supplemental Appropriation Act, 1954, and unobligated balances of the appropriation for 'Civilian Relief in Korea,' title III, Department of Defense Appro-

LEGISLATION ON FOREIGN RELATIONS

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SEC. 141.<sup>52</sup> CONDITIONS OF ELIGIBILITY FOR ASSISTANCE.<sup>53</sup>—No assistance shall be furnished under this title or chapter I<sup>54</sup> to any nation or organization unless the President shall have found that furnishing such assistance will strengthen the security of the United States and promote world peace. No such assistance shall be furnished to a nation unless it shall have agreed to the provisions required by section 142, and such additional provisions as the President deems necessary to effectuate the policies and provisions of this title or chapter I<sup>54</sup> and to safeguard the interests of the United States.

SEC. 142.<sup>55</sup> AGREEMENTS.<sup>56</sup>—(a) <sup>57</sup> No assistance shall be furnished to any nation under chapter I or under this title<sup>58</sup> unless such nation shall have agreed to—

- (1) join in promoting international understanding and good will, and maintaining world peace;
- (2) take such action as may be mutually agreed upon to eliminate causes of international tension;
- (4) fulfill the military obligations, if any, which it has assumed under multilateral or bilateral agreement or treaties to which the United States is a party;
- (4) make, consistent with its political and economic stability, the full contribution permitted by its manpower, resources, facilities, and general economic condition to the development and maintenance of its own defensive strength and the defensive strength of the free world;
- (5) take all reasonable measures which may be needed to develop its defense capacities;

piration Act, 1954, are hereby authorized to be continued available for the purposes of this subsection through June 30, 1955, and to be consolidated with the appropriation authorized by this subsection.

"(p) (1) Notwithstanding the provisions of any other law, the President is authorized, at any time prior to twenty-four months from the date of enactment of this Act, to transfer to the Republic of Korea, by sale or charter and on such terms and conditions as he may specify, not more than eight C1-M-AV1 vessels. Any agency of the United States Government owning or operating such vessels is authorized to make such vessels available for the purpose of this subsection: *Provided*, That if after investigation it is determined by the President that there are privately owned C1-M-AV1 vessels offered and available for sale by American citizens as defined in section 2 of the Shipping Act, 1916, as amended, at prices equal to or less than those provided for in subsection (b) (2) below, such vessels shall be acquired by an owning or operating agency designated by the President for the purpose of this subsection. Funds made available pursuant to subsection (a) of this section shall be available for the purpose of this subsection.

"(2) Such transfers shall be made at prices determined under section 3 of the Merchant Ship Sales Act of 1946 (50 U. S. C. App. 1736): *Provided*, That such vessels shall be placed in class in accordance with minimum requirements of the American Bureau of Shipping by the owning or operating agency, and the expense of placing in class shall be reimbursed to such agency.

"(c) There is hereby authorized to be appropriated for the fiscal year 1955 not to exceed \$3,452,615 for making contributions to the United Nations Korean Reconstruction Agency or expenditure through such other agency for relief and rehabilitation in Korea as the President may direct. In addition, the unexpended balance of the appropriation made pursuant to the last sentence of section 303 (a) of the Mutual Security Act of 1951, as amended, is hereby authorized to be continued available for the purpose of this subsection through June 30, 1955, and to be consolidated with the appropriation authorized by this subsection. Sections 141 and 142 of this Act shall not apply with respect to assistance furnished under this subsection.

"(d) To the extent necessary to accomplish the purposes of this section (1) assistance may be furnished under this section without regard to the other provisions of this title and (2) the authority provided in section 307 may be exercised in furnishing assistance under subsection (a) of this section."

<sup>52</sup> 22 U. S. C. § 1851.

<sup>53</sup> See also sec. 105 of this Act.

<sup>54</sup> Sec. 501 (6) of the MSAAct of 1958 inserted the words "or chapter I" after "title".

<sup>55</sup> 22 U. S. C. § 1852.

<sup>56</sup> See also sec. 543 (b) of this Act.

<sup>57</sup> Subsec. "(a)" was inserted by sec. 5 of the MSAAct of 1955.

<sup>58</sup> Sec. 501 (7) (B) of the MSAAct of 1958 struck out the words "under this title" and inserted "under chapter I or under this title."

(6) take appropriate steps to insure the effective utilization of the assistance furnished under this title in furtherance of the policies and purposes of chapter I or of this title;<sup>60</sup>

(7) impose appropriate restrictions against transfer of title to or possession of any equipment and materials, information, or services furnished under chapter I<sup>61</sup> without the consent of the President;

(8) maintain the security of any article, service, or information furnished under chapter I;<sup>62</sup>

(9) furnish equipment and materials, services, or other assistance consistent with the Charter of the United Nations, to the United States or to and among other nations to further the policies and purposes of chapter I;<sup>63</sup>

(10) permit continuous observation and review by United States representatives of programs of assistance authorized under chapter I or under this title,<sup>64</sup> including the utilization of any such assistance and<sup>65</sup> provide the United States with full and complete information with respect to these matters, as the President may require.<sup>66</sup>

(b) <sup>67</sup> In cases where any commodity is to be furnished on a grant basis under this title<sup>68</sup> under arrangements which will result in the accrual of proceeds to the recipient nation from the import or sale thereof, such assistance shall not be furnished unless the recipient nation shall have agreed to establish a Special Account, and

(i) deposit in the Special Account, under such terms and conditions as may be agreed upon, currency of the recipient nation in amounts equal to such proceeds;

(ii) make available to the United States such portion of the Special Account as may be determined by the President to be necessary for the requirements of the United States: *Provided*, That such portion shall not be less than 10 per centum in the case of any country to which such minimum requirement has been applicable under any Act repealed by this Act; and

(iii) utilize the remainder of the Special Account for programs agreed to by the United States to carry out the purposes for which new funds authorized by this Act would themselves be available<sup>69</sup>: *Provided*, That if amounts in such remainder exceed the requirements of such programs, the recipient nation may utilize such excess amounts for other purposes agreed to by the United States which are consistent with the foreign policy

<sup>60</sup> Sec. 501 (7) (B) of the MSAAct of 1958 struck out the words "purposes of this title" and inserted "purposes of chapter I or of this title".

<sup>61</sup> Sec. 501 (7) (A) of the MSAAct of 1958 struck out "chapter I of this title" and inserted "chapter I."

<sup>62</sup> Sec. 501 (7) (B) of the MSAAct of 1958 struck out the words "under this title" and inserted "under chapter I or under this title."

<sup>63</sup> The word "and" was substituted for "or" by sec. 5 of the MSAAct of 1955.

<sup>64</sup> The word "and" which appeared at the end of this subparagraph was deleted by sec. 5 of the MSAAct of 1955, and a period was substituted.

<sup>65</sup> Sec. 3 of the MSAAct of 1955 changed the designation of this provision from "(11)" to "(b)" and revised the language of the introductory paragraph which previously read as follows:

<sup>66</sup> (11) in cases where any commodity is furnished on a grant basis under any provision of this Act other than chapter I of title I under arrangements which will result in the accrual of proceeds to the recipient nation from the import or sale thereof, establish a Special Account, and \* \* \*

<sup>67</sup> Sec. 501 (8) of the MSAAct of 1958 struck out "chapter 3 of title I of this Act" and inserted in its stead "this title".

<sup>68</sup> See also sec. 502 of this Act.

of the United States: *Provided further*, That such utilization of such excess amounts in all Special Accounts shall not exceed the equivalent of \$4,000,000.<sup>67</sup>

Any unencumbered balances of funds which remain in the Account upon termination of assistance to such nation under this Act shall be disposed of for such purposes as may, subject to approval by the Act or joint resolution of the Congress, be agreed to between such country and the Government of the United States.

SEC. 143.<sup>68</sup> ASSISTANCE TO YUGOSLAVIA.—In furnishing assistance to Yugoslavia, the President shall continuously assure himself (1) that Yugoslavia continues to maintain its independence, (2) that Yugoslavia is not participating in any policy or program for the Communist conquest of the world, and (3) that the furnishing of such assistance is in the interest of the national security of the United States. The President shall keep the Foreign Relations Committee and the Appropriations Committee of the Senate and the Speaker of the House of Representatives fully and constantly informed of any assistance furnished to Yugoslavia under this Act.

SEC. 144.<sup>69</sup> SOUTHEAST ASIA.—Assistance under this title or chapter I<sup>70</sup> shall be made available subject to the provisions of sections 141 and 142, except that (1) in the case of assistance to the Associated States of Cambodia, Laos, and Vietnam, and (2) in the case of assistance (not to exceed in the aggregate 10 per centum of the amount appropriated pursuant to section 121, excluding unexpended balances of prior appropriations) to other nations in the area of southeast Asia, the President may waive specific provisions of section 142 to the extent he may deem necessary in the national interest to carry out the purposes of this Act. The President or such officer as he may designate shall report each instance of such waiver to the Foreign Relations, Appropriations, and Armed Services Committees of the Senate and the Speaker of the House of Representatives within thirty days.

TITLE II—DEVELOPMENT LOAN FUND<sup>71</sup>

SEC. 201.<sup>72</sup> DECLARATION OF PURPOSE.—The Congress of the United States recognizes that the progress of free peoples in their efforts to

<sup>67</sup> Sec. 202 of the MSA of 1958 added the last two provisos to this paragraph.  
<sup>68</sup> 22 U. S. C. § 1853. Sec. 143 was amended by sec. 5 (b) of the MSA of 1957. It formerly read as follows: "Notwithstanding any other provisions of law, no assistance under this title or any other title of this Act, or under any provision of law repealed by section 542 (n) of this Act, shall be furnished to Yugoslavia after the expiration of ninety days following the date of the enactment of this section, unless the President finds and so reports to the Congress, with his reasons therefor, (1) that there has been no change in the Yugoslavian policies on the basis of which assistance under this Act has been furnished to Yugoslavia in the past, and that Yugoslavia is independent of control by the Soviet Union, (2) that Yugoslavia is not participating in any policy or program for the Communist conquest of the world, and (3) that it is in the interest of the national security of the United States to continue the furnishing of assistance to Yugoslavia under this Act."

<sup>69</sup> This section was added by sec. 5 (c) of the MSA of 1957. It was drawn from repealed sec. 121 (for text, see footnote 39, page 8).

<sup>70</sup> Sec. 501 (9) of the MSA of 1958 added "or chapter I".

<sup>71</sup> The heading of this title, which formerly read "DEVELOPMENT ASSISTANCE", was changed by sec. 6 of the MSA of 1957.

<sup>72</sup> 22 U. S. C. § 1871. Secs. 201 through 206 were added by sec. 6 of the MSA of 1957, which struck out former sec. 201 (a) and (b), and redesignated subsection "(c)" as subsection "(d)" of sec. 537 of this Act. Sec. 201 (a) and (b) formerly read as follows:

"SEC. 201. AUTHORIZATION.—(a) In addition to the funds heretofore appropriated pursuant to the provisions of sections 201 and 418 of this Act as in effect prior to the enactment of the Mutual Security Act of 1956, which funds shall remain available for their original purposes in accordance with the provisions of law originally applicable thereto, there is hereby authorized to be appropriated to the President not to exceed \$293,000,000, to remain available until June 30, 1960, for assistance designed to promote the economic

further their economic development, and thus to strengthen their freedom, is important to the security and general welfare of the United States. The Congress further recognizes the necessity in some cases of assistance to such peoples if they are to succeed in these efforts. The Congress accordingly reaffirms that it is the policy of the United States, and declares it to be the purpose of this title, to strengthen friendly foreign countries by encouraging the development of their economies through a competitive free enterprise system; to minimize or eliminate barriers to the flow of private investment capital and international trade; to facilitate the creation of a climate favorable to the investment of private capital; and to assist, on a basis of self-help and mutual cooperation, the efforts of free peoples to develop their economic resources and to increase their productive capabilities.

SEC. 202.<sup>73</sup> GENERAL AUTHORITY.—(a) To carry out the purposes of this title, there is hereby created as an agency of the United States of America, subject to the direction and supervision of the President, a body corporate to be known as the "Development Loan Fund" (hereinafter referred to in this title as the "Fund"), which shall have succession in its corporate name. The Fund shall have its principal office in the District of Columbia and shall be deemed, for purposes of venue in civil actions, to be a resident thereof. It may establish offices in such other place or places as it may deem necessary or appropriate.<sup>74</sup>

(b) The Fund<sup>75</sup> is hereby authorized to make loans, credits, or guaranties, or to engage in other financing operations or transactions (not to include grants or direct purchases of equity securities), to or with such nations, organizations, persons or other entities, and on such terms and conditions, as it<sup>76</sup> may determine, taking into account (1) whether financing could be obtained in whole or in part from other free world sources on reasonable terms, (2) the economic and technical soundness of the activity to be financed,<sup>77</sup> (3) whether the activity gives reasonable promise of contributing to the development of economic resources or to the increase of productive capacities in furtherance of the purposes of this title, and (4)<sup>78</sup> the possible adverse effects upon the economy of the United States, with special reference to areas of substantial labor surplus, of the activity and the financing operation or transaction involved. Loans shall be made by<sup>79</sup> the Fund only on the basis of firm commitments by the borrowers to make repayment and upon a finding that there are reasonable prospects of such repayment. The

development of free Asia, the Middle East, and Africa, based on self-help and mutual cooperation of friendly nations, and to maintain economic and political stability in these areas.

"(b). The President is authorized to utilize the funds hereafter made available for purposes of this title to accomplish in these areas policies and purposes declared in this Act, and to disburse them on such terms and conditions, including transfer of funds, as he may specify. *Provided*, That eighty per centum of such assistance shall only be available on terms of repayment, except (1) when such funds are used to finance sales of surplus agricultural commodities under section 402, or (2) when granted for the purpose of a regional project involving two or more beneficiary nations: *And provided further*, That not more than 25 per centum of any funds hereafter made available for purposes of this title shall be used in furnishing bilateral assistance to any one nation."

<sup>73</sup> 22 U. S. C. § 1872. Sec. 202 was added by sec. 6 of the MSAAct of 1957.

<sup>74</sup> Sec. 203 (a) of the MSAAct of 1958 substituted this language for former subsec. (a), which read as follows:

"(a) There is hereby established a fund to be known as the 'Development Loan Fund' (hereinafter referred to in this title as 'the Fund') to be used by the President to finance activities carried out pursuant to authority contained in this title."

<sup>75</sup> Sec. 203 (a) (2) of the MSAAct of 1958 substituted the words "The Fund" in lieu of "To carry out the purposes of this title the President": substituted "it" for "he"; struck out the word "and" before subsection "(3)", and added subsection "(4)".

<sup>76</sup> Sec. 203 (a) (2) of the MSAAct of 1958 substituted the word "by" in lieu of "from".

Fund shall be administered so as to support and encourage private investment and other private participation furthering the purposes of this title, and it shall be administered so as not to compete with private investment capital, the Export-Import Bank or the International Bank for Reconstruction and Development. The provisions of section 955 of title 18 of the United States Code shall not apply to prevent any person, including any individual, partnership, corporation, or association, from acting for or participating with the Fund in any operation or transaction, or from acquiring any obligation issued in connection with any operation or transaction, engaged in by the Fund.<sup>77</sup> The authority of section 451 (a)<sup>78</sup> of this Act may not be used to waive the requirements of this title or of the Mutual Defense Assistance Control Act of 1951<sup>79</sup> with respect to this title, nor may the authority of section 501 of this Act be used to increase or decrease the funds available under this title. No guaranties of equity investment against normal business-type risks shall be made available under this subsection. The President's semi-annual reports to the Congress on operations under this Act, as provided for in section 534 of this Act,<sup>80</sup> shall include detailed information on the implementation of this title.<sup>80</sup>

SEC. 203.<sup>81</sup> CAPITALIZATION.—(a) There is hereby authorized to be appropriated to the President without fiscal year limitation, for advances to the Fund, not to exceed \$500,000,000.<sup>82</sup> In addition, there is hereby authorized to be appropriated to the President without fiscal year limitation, for advances to the Fund beginning in the fiscal year 1959, not to exceed \$625,000,000.

SEC. 204.<sup>84</sup> FISCAL PROVISIONS.—(a) All receipts from activities or transactions under this title shall be credited to the Fund and, notwithstanding section 1415 of the Supplemental Appropriation Act, 1953,<sup>85</sup> or any other provision of law relating to the use of foreign currencies or other receipts accruing to the United States, shall be available for use for purposes of this title.

(b) The Fund<sup>86</sup> is authorized to incur, in accordance with the provisions of this title, obligations<sup>86</sup> in amounts which may not at any time exceed the assets of the Fund. The term "assets of the Fund" as used in this section shall mean the amount of liquid assets of the Fund at any given time including any amount of capitalization made available<sup>87</sup> pursuant to section 203 (a) of this Act which has not been advanced to the Fund as of such time. The assets of the Fund<sup>88</sup> shall

<sup>77</sup> This sentence added by sec. 203 (a) (2) of the MSAAct of 1958.

<sup>78</sup> Sec. 501 (19) of the MSAAct of 1958 substituted "451 (a)" in lieu of "401 (a)".

<sup>79</sup> For text, see page 78.

<sup>80</sup> Sec. 203 (a) (2) of the MSAAct of 1958 substituted this sentence for two former sentences added by sec. 6 of the MSAAct of 1957, which reads as follows:

"The Manager of the Fund shall furnish to the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Speaker of the House of Representatives a report on each financing operation or transaction involving the Fund's assets. Such report shall be made at the time such financing operation or transaction is consummated."

<sup>81</sup> 22 U. S. C. § 1873. Sec. 203 was added by sec. 6 of the MSAAct of 1957.

<sup>82</sup> There is no subsec. (b) in sec. 203 as enacted.

<sup>83</sup> Mutual Security Appropriation Act, 1958—\$300,000,000, to remain available until expended; Mutual Security Appropriation Act, 1959—\$400,000,000, to remain available until expended.

<sup>84</sup> 22 U. S. C. § 1874. Sec. 204 was added by sec. 6 of the MSAAct of 1957.

<sup>85</sup> For text, see page 74.

<sup>86</sup> Sec. 203 (b) (1) of the MSAAct of 1958 substituted "Fund" for "President" and struck out the words "against the Fund", which appeared after the word "obligations".

<sup>87</sup> Sec. 203 (b) (1) of the MSAAct of 1958 substituted the words "made available" in lieu of "authorized".

<sup>88</sup> Sec. 203 (b) (1) of the MSAAct of 1958 inserted the words "assets of the" before "Fund".

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be available without fiscal year limitation for any obligations or expenditures in connection with the performance of functions under this title.

(c) <sup>80</sup> The Fund shall be deemed to be a wholly owned Government corporation and shall accordingly be subject to the applicable provisions of the Government Corporation Control Act, as amended.<sup>81</sup>

SEC. 205.<sup>80</sup> MANAGEMENT, POWERS AND AUTHORITIES.<sup>81</sup>—(a) <sup>82</sup> The management of the Fund shall be vested in a Board of Directors (hereinafter referred to in this title as the "Board") consisting of the Under Secretary of State for Economic Affairs, who shall be Chairman, the Director of the International Cooperation Administration, the Chairman of the Board of Directors of the Export-Import Bank, the Managing Director of the Fund, and the United States Executive Director on the International Bank for Reconstruction and Development. The Board shall carry out its functions subject to the foreign policy guidance of the Secretary of State. The Board shall act by a majority vote participated in by a quorum; and three members of the Board shall constitute a quorum. Subject to the foregoing sentence, vacancies in the membership of the Board shall not affect its power to act. The Board shall meet for organization purposes when and where called by the Chairman. The Board may, in addition to taking any other necessary or appropriate actions in connection with the management of the Fund, adopt, amend, and repeal bylaws governing the conduct of its business and the performance of the authorities, powers, and functions of the Fund and its officers and employees. The members of the Board shall receive no compensation for their services on the Board but may be paid actual travel expenses and per diem in lieu of subsistence under the Standardized Government Travel Regulations in connection with travel or absence from their homes or regular places of business for purposes of business of the Fund.

(b) <sup>83</sup> There shall be a Managing Director of the Fund who shall be the chief executive officer of the Fund, who shall be appointed by the President of the United States by and with the advice and consent of the Senate, and whose compensation shall be at a rate of \$20,000 a year. There shall also be a Deputy Managing Director of the Fund, whose compensation shall be at a rate not in excess of \$19,000 a year,

<sup>80</sup> Subsec. (c) was substituted by sec. 201 (b) (2) of the MSAAct of 1958. It formerly read as follows:

"(c) In the performance of and with respect to the functions, powers, and duties vested in him by this title, the President shall prepare annually and submit a budget program in accordance with the provisions of the Government Corporation Control Act, as amended; and he shall cause to be maintained an integral set of accounts which shall be audited by the General Accounting Office in accordance with principles and procedures applicable to commercial corporate transactions as provided by the Government Corporation Control Act, as amended, and no other audit shall be required."

<sup>81</sup> 22 U. S. C. § 1875. Sec. 205 was added by sec. 6 of the MSAAct of 1957.

<sup>82</sup> The heading, which formerly read "Powers and Authorities", was changed by sec. 201 (c) (1) of the MSAAct of 1958.

<sup>83</sup> This subsection was amended by sec. 203 (c) (2) of the MSAAct of 1958. It formerly read as follows:

"(a) In carrying out the purposes of this title, the President shall, by and with the advice and consent of the Senate, appoint in the International Cooperation Administration of the Department of State a Manager of the Fund. The office of Manager of the Fund shall be in addition to other offices provided for by law, and the compensation for such office shall be at a rate not in excess of \$19,000 a year."

<sup>84</sup> This subsection was amended by sec. 203 (c) (2) of the MSAAct of 1958. It formerly read as follows:

"(b) The President shall also establish a Loan Committee, consisting of the Deputy Under Secretary of State for Economic Affairs, who shall be chairman, the Director of the International Cooperation Administration, and the Chairman of the Board of Directors of the Export-Import Bank, which shall, under the foreign policy guidance of the Secretary of State, establish basic financial terms and conditions for the operations and transactions of the Fund."

and three other officers of the Fund, whose titles shall be determined by the Board and whose compensation shall be at a rate not in excess of \$18,000 per year. Appointment to the offices provided for in the preceding sentence shall be by the Board. The Managing Director, in his capacity as chief executive officer of the Fund, the Deputy Managing Director and the other officers of the Fund shall perform such functions as the Board may designate and shall be subject to the supervision and direction of the Board. During the absence or disability of the Managing Director or in the event of a vacancy in the office of Managing Director, the Deputy Managing Director shall act as Managing Director, or, if the Deputy Managing Director is also absent or disabled or the office of Deputy Managing Director is vacant, such other officer as the Board may designate shall act as Managing Director. The offices provided for in this subsection shall be in addition to positions otherwise authorized by law.

(c) The Fund, in addition to other powers and authorities vested in or delegated or assigned to the Fund or its officers or the Board, may<sup>94</sup>: enter into, perform, and modify contracts, leases, agreements, or other transactions, on such terms as it may deem<sup>95</sup> appropriate, with any agency or instrumentality of the United States, with any foreign government or foreign government agency, or with any person, partnership, association, corporation, organization, or other entity, public or private, singly or in combination; accept and use gifts or donations of services, funds, or property (real, personal or mixed, tangible or intangible); contract for the services of attorneys; determine the character of and necessity for obligations and expenditures of the Fund,<sup>96</sup> and the manner in which they shall be incurred, allowed, and paid, subject to provisions of law specifically applicable to Government corporations; acquire and dispose of, upon such terms and conditions and for such consideration as<sup>97</sup> the Fund shall determine to be reasonable, through purchase, exchange, discount, rediscount, public or private sale, negotiation, assignment, exercise of option or conversion rights, or otherwise, for cash or credit, with or without endorsement or guaranty, any property, real, personal, mixed, tangible or intangible, including, but not limited to, mortgages, bonds, debentures (including convertible debentures), liens, pledges, and other collateral or security, contracts, claims, currencies, notes, drafts, checks, bills of exchange, acceptances including bankers' acceptances, cable transfers and all other evidences of indebtedness or ownership (provided that equity securities may not be directly purchased although such securities may be acquired by other means such as by exercise of conversion rights or through enforcement of liens, pledges or otherwise to satisfy a previously incurred indebtedness), and guarantee payment against any instrument above specified; issue letters of credit and letters of commitment; collect or compromise any obligations assigned to or held by, and any legal or equitable rights accruing to,<sup>97</sup> the Fund, and, as<sup>97</sup> the Fund may determine, refer any such obligations or rights to the Attorney General for suit or collection; adopt, alter and use a corpo-

<sup>94</sup> Sec. 203 (c) (3) (i) of the MSAAct of 1958 substituted this phrase in lieu of "In carrying out his functions with respect to this title, the Manager of the Fund may".  
<sup>95</sup> Sec. 203 (c) (3) (ii) of the MSAAct of 1958 substituted the words "it may deem" in lieu of "may be deemed".  
<sup>96</sup> Sec. 203 (c) (3) (iii) of the MSAAct of 1958 substituted the words "of the Fund" in lieu of "under this title".  
<sup>97</sup> Sec. 203 (c) (3) (iv) of the MSAAct of 1958 struck out the words "the Manager of".

rate seal which shall be judicially noticed; require bonds for the faithful performance of the duties of its officers, attorneys, agents and employees and pay the premiums thereon; sue and be sued in its corporate name (provided that no attachment, injunction, garnishment, or similar process, mesne or final, shall be issued against the Fund or any officer thereof, including the Board or any member thereof, in his official capacity or against property or funds owned or held by the Fund or any such officer in his official capacity); exercise, in the payment of debts out of bankrupt, insolvent or decedent's estates, the priority of the Government of the United States; purchase one passenger motor vehicle for use in the continental United States and replace such vehicle from time to time as necessary; use the United States mails in the same manner and under the same conditions as the executive departments of the Federal Government;<sup>98</sup> and otherwise take any and all actions determined by<sup>97</sup> the Fund to be necessary or desirable in making, carrying out, servicing, compromising, liquidating, or otherwise dealing with or realizing on any transaction or operation, or in carrying out any function.<sup>99</sup> Nothing herein shall be construed to exempt the Fund or its operations from the application of section 507 (b) and 2679 of title 28, United States Code or of section 367 of the Revised Statutes (5 U. S. C. 316), or to authorize the Fund to borrow any funds from any source without the express legislative permission of the Congress.<sup>100</sup> The Export-Import Bank shall administer loans made from the Fund, as provided in section 505 (b) of this Act.

(d)<sup>101</sup> The Fund shall contribute, from the respective appropriation or fund used for payment of salaries, pay or compensation, to the civil service retirement and disability fund, a sum as provided by section 4 (a) of the Civil Service Retirement Act, as amended (5 U. S. C. 2254a), except that such sum shall be determined by applying to the total basic salaries (as defined in that Act) paid to the employees of the Fund covered by that Act, the per centum rate determined annually by the Civil Service Commission to be the excess of the total normal cost per centum rate of the civil service retirement system over the employee deduction rate specified in said section 4 (a). The Fund shall also contribute at least quarterly from such appropriation or fund, to the employees' compensation fund, the amount determined by the Secretary of Labor to be the full cost of benefits and other payments made from such fund on account of injuries and deaths of its employees which may hereafter occur. The Fund shall also pay into the Treasury as miscellaneous receipts that portion of the cost of administration of the respective funds attributable to its employees, as determined by the Civil Service Commission and the Secretary of Labor.

(e)<sup>102</sup> The assets of the Development Loan Fund on the date of enactment of the Mutual Security Act of 1958 shall be transferred as of such date to the body corporate created by section 202(a) of this Act. In addition, records, personnel, and property of the International Cooperation Administration may, as agreed by the Managing

<sup>98</sup> Six clauses, beginning with the words "adopt, alter and use", were added by sec. 203 (c) (3) (v) of the MSAAct of 1958.

<sup>99</sup> The words "or in carrying out any function" were substituted for "authorized by this title" by sec. 203 (c) (3) (vi) of the MSAAct of 1958.

<sup>100</sup> This sentence added by sec. 203 (c) (3) (vii) of the MSAAct of 1958.

<sup>101</sup> Subsecs. "(d)" and "(e)" were inserted by sec. 203 (4) of the MSAAct of 1958.

Director and the Director of the International Cooperation Administration or as determined by the President, be transferred to the Fund. Obligations and liabilities incurred against, and rights established or acquired for the benefit of or with respect to, the Development Loan Fund during the period between August 14, 1957, and the date of enactment of the Mutual Security Act of 1958 are hereby transferred to, and accepted and assumed by, the body corporate created by section 202(a) of this Act. A person serving as Manager of the Development Loan Fund as of the date of enactment of the Mutual Security Act of 1958 shall not, by reason of the enactment of that Act, require reappointment in order to serve in the office of Managing Director provided for in section 205(b) of this Act.

SEC. 206.<sup>102</sup> NATIONAL ADVISORY COUNCIL.—The Fund shall be administered subject to the applicable provisions of section 4<sup>103</sup> of the Bretton Woods Agreements Act (22 U. S. C. 286b) with respect to the functions of the National Advisory Council on International Monetary and Financial Problems.

### TITLE III—TECHNICAL COOPERATION

SEC. 301.<sup>104</sup> DECLARATION OF PURPOSE.—It is the policy of the United States and the purpose of this title to aid the efforts of the peoples of economically underdeveloped areas to develop their resources and improve their working and living conditions by encouraging the exchange of technical knowledge and skills and the flow of investment capital to countries which provide conditions under which such technical assistance and capital can effectively and constructively contribute to raising standards of living, creating new sources of wealth, increasing productivity and expanding purchasing power.

SEC. 302.<sup>105</sup> GENERAL AUTHORITY AND DEFINITION.—The President is authorized to furnish assistance in accordance with the provisions of this title through bilateral technical cooperation programs. As used in this title, the term "technical cooperation programs" means programs for the international interchange of technical knowledge and skills designed to contribute primarily to the balanced and integrated development of the economic resources and productive capacities of economically underdeveloped areas. Such activities shall be limited to economic, engineering, medical, educational, labor, agricultural, forestry, fishery, mineral, and fiscal surveys, demonstration, training, and similar projects that serve the purpose of promoting the development of economic resources, productive capacities, and trade of economically underdeveloped areas, and training in public administration. The term "technical cooperation programs" does not include such activities authorized by the United States Information and Educational Exchange Act of 1948 (62 Stat. 6)<sup>106</sup> as are not primarily related to economic development, nor activities undertaken now or hereafter pursuant to the International Aviation Facilities Act (62 Stat. 450),<sup>107</sup> nor activities undertaken now or hereafter in the administration of areas occupied by the United States Armed Forces.

<sup>102</sup> 22 U. S. C. § 1876. Sec. 206 was added by sec. 6 of the MSAct of 1957.

<sup>103</sup> For text, see page 83.

<sup>104</sup> 22 U. S. C. § 1891.

<sup>105</sup> 22 U. S. C. § 1892.

<sup>106</sup> 22 U. S. C. §§ 1431-1479; see also sec. 514 of this Act.

<sup>107</sup> 49 U. S. C. §§ 1151-1160.

SEC. 303.<sup>108</sup> PREREQUISITES TO ASSISTANCE.<sup>109</sup>—Assistance shall be made available under section 302 of this Act only where the President determines that the nation being assisted—

- (a) pays a fair share of the cost of the program;
- (b) provides all necessary information concerning such program and gives the program full publicity;
- (c) seeks to the maximum extent possible full coordination and integration of technical cooperation programs being carried on in that nation;
- (d) endeavors to make effective use of the results of the program; and
- (e) cooperates with other nations participating in the program in the mutual exchange of technical knowledge and skills.

SEC. 304.<sup>110</sup> AUTHORIZATION.—There is hereby authorized to be appropriated to the President to remain available until expended not to exceed \$150,000,000 for use beginning in the fiscal year 1959<sup>111</sup> to carry out the purposes of this title.

SEC. 305.<sup>112</sup> LIMITATION ON USE OF FUNDS.—Funds made available under section 304 may be expended to furnish assistance in the form of equipment or commodities only where necessary for instruction or demonstration purposes.

SEC. 306.<sup>113</sup> MULTILATERAL TECHNICAL COOPERATION AND RELATED PROGRAMS.<sup>114</sup>—As one means of accomplishing the purposes of this title and this Act,<sup>115</sup> the United States is authorized to participate in multilateral technical cooperation and related<sup>116</sup> programs carried on by the United Nations, the Organization of American States, their related organizations, and other international organizations, wherever practicable. There is hereby authorized to be appropriated to carry out the purpose of this section, in addition to the amounts authorized by section 304, not to exceed—

(a)<sup>117</sup> \$20,000,000 for the fiscal year 1959<sup>118</sup> for contributions to the United Nations Expanded Program of Technical Assistance and such related fund as may hereafter be established<sup>119</sup>: *Provided*, That, notwithstanding the limitation of 33.33 per centum contained in the Mutual Security Appropriation Act, 1957, the United States contribu-

<sup>108</sup> 22 U. S. C. § 1893.

<sup>109</sup> See also sec. 543 (b) of this Act.

<sup>110</sup> 22 U. S. C. § 1894. Sec. 7 (a) of the MSAct of 1957 struck out former subsecs. (a) and (b), which read as follows:

"(a) There is hereby authorized to be appropriated to the President for the fiscal year 1955 \$88,570,000 for technical cooperation programs in the Near East, Africa, South Asia, and Far East and Pacific, and \$28,500,000 for such programs in Latin America. In addition, unexpended balances of appropriations heretofore made pursuant to section 543 of the Mutual Security Act of 1951, as amended, are authorized to be continued available for the purposes of this section through June 30, 1955, and to be consolidated with the appropriation authorized by this section.

"(b) There is hereby authorized to be appropriated to the President for the fiscal year 1956 not to exceed \$146,500,000, and for the fiscal year 1957 not to exceed \$140,500,000, for technical cooperation programs in the Near East and Africa, Asia and Latin America."

<sup>111</sup> The words "\$150,000,000 for use beginning in the fiscal year 1959" were substituted for "\$151,900,000" by sec. 204 (a) of the MSAct of 1958.

Mutual Security Appropriation Act, 1959—\$150,000,000.

<sup>112</sup> 22 U. S. C. § 1895.

<sup>113</sup> 22 U. S. C. § 1896.

<sup>114</sup> "AND RELATED PROGRAMS" added to the heading by sec. 204 (b) (1) of the MSAct of 1958. See also sec. 535 of this Act.

<sup>115</sup> The words "and this Act" added by sec. 204 (b) (1) of the MSAct of 1958.

<sup>116</sup> The words "and related" added by sec. 204 (b) (1) of the MSAct of 1958.

<sup>117</sup> Mutual Security Appropriation Act, 1959—\$20,000,000.

<sup>118</sup> Sec. 204 (b) (2) of the MSAct of 1958 substituted "\$20,000,000 for the fiscal year 1959" in lieu of "\$15,500,000 for the fiscal year 1958" and inserted "and such related fund as may hereafter be established" after the word "Assistance".

tion for such purpose<sup>119</sup> may constitute for the calendar year 1958 as much as but not to exceed 45 per centum of the total amount contributed for such purpose and for succeeding calendar years not to exceed 40 per centum of the total amount contributed for such purpose for each such year.<sup>119</sup>

(b) <sup>120</sup> \$1,500,000<sup>121</sup> for the fiscal year 1959<sup>122</sup> for contributions to the technical cooperation program of the Organization of American States.

SEC. 307.<sup>123</sup> ADVANCES AND GRANTS; CONTRACTS.—The President may make advances and grants-in-aid of technical cooperation programs to any person, corporation, or other body of persons or to any foreign government agency. The President may make and perform contracts and agreements in respect to technical cooperation programs on behalf of the United States Government with any person, corporation, or other body of persons however designated, whether within or without the United States, or with any foreign government or foreign government agency. A contract or agreement which entails commitments for the expenditure of funds appropriated pursuant to this title may, subject to any future action of the Congress, extend at any time for not more than three years.<sup>124</sup>

SEC. 308.<sup>125</sup> INTERNATIONAL DEVELOPMENT ADVISORY BOARD.—There shall be an advisory board, referred to in this section as the "Board," which shall advise and consult with the President, or such other officer as he may designate to administer this title, with respect to general or basic policy matters arising in connection with the operation of programs authorized by this title, title II, and section 413 (b). The Board shall consist of not more than thirteen members appointed by the President, one of whom, by and with the advice and consent of the Senate, shall be appointed by him as chairman. The members of the Board shall be broadly representative of voluntary agencies and other groups interested in the programs, including business, labor, agriculture, public health, and education. All members of the Board shall be citizens of the United States; none except the chairman shall be an officer or an employee of the United States (including any United States Government agency) who as such regularly receives compensation for current services. Members of the Board, other than the chairman if he is an officer of the United States Government, shall receive out of funds made available for the purpose of this title a per diem allowance of \$50 for each day spent away from their homes or regular places of business for the purpose of attendance at meetings of the Board or at conferences held upon the call of the chairman, and in necessary travel, and while so engaged they may be paid actual travel

<sup>119</sup> Sec. 204 (b) (2) of the MSAct of 1958 substituted the words "for such purpose" (on line 1 of this page) in lieu of the words "to this program" and substituted the phrase beginning with "for such purpose and for" in lieu of "to the program for that period, for the calendar year 1959 as much as but not to exceed 38 per centum of the total amount contributed to the program for that period, and for the calendar year 1960 as much as but not to exceed 33.33 per centum of the total amount contributed to the program for that period."

<sup>120</sup> Sec. 7 (b) (2) of the MSAct of 1957 substituted this language for former subsection (b), which read as follows:

"\$1,500,000 for making contributions to the technical cooperation program of the Organization of American States; in addition, \$1,500,000 for the fiscal year 1956, and \$1,500,000 for the fiscal year 1957 for such contributions."

<sup>121</sup> Mutual Security Appropriation Act, 1959—\$1,500,000.

<sup>122</sup> Sec. 204 (b) (3) of the MSAct of 1958 substituted "1959" for "1958".

<sup>123</sup> 22 U. S. C. § 1897.

<sup>124</sup> The words "extend at any time for not more than three years" were substituted for "run for not to exceed three years" by sec. 7 (c) of the MSAct of 1956.

<sup>125</sup> 22 U. S. C. § 1898.

expenses and not to exceed \$10 per diem, or at the applicable rate prescribed in the Standardized Government Travel Regulations, as amended from time to time, whichever is higher,<sup>126</sup> in lieu of subsistence and other expenses.

TITLE IV—SPECIAL ASSISTANCE AND OTHER PROGRAMS<sup>127</sup>

SEC. 400.<sup>128</sup> SPECIAL ASSISTANCE.—(a) There is hereby authorized to be appropriated to the President for the fiscal year 1959 not to exceed \$202,500,000<sup>129</sup> for use on such terms and conditions as he may specify for assistance designed to maintain or promote political or economic stability.<sup>130</sup>

(b) For the purpose of promoting economic development in Latin America there is hereby authorized to be appropriated to the President not to exceed \$25,000,000,<sup>131</sup> which shall remain available until expended, and in the utilization of such sum preference shall be given to (A) projects or programs that will clearly contribute to promoting health, education, and sanitation in the area as a whole or among a group or groups of countries of the area, (B) joint health, education, and sanitation assistance programs undertaken by members of the Organization of American States, and (C) such land resettlement programs as will contribute to the resettlement of foreign and native migrants in the area as a whole, or in any country of the area, for the purpose of advancing economic development and agricultural and industrial productivity: *Provided*, That assistance under this sentence shall emphasize loans rather than grants wherever possible, and not less than 90 per centum of the funds made available for assistance under this subsection shall be available only for furnishing assistance on terms of repayment in accordance with the provisions of section 505.

(c) The President is authorized to use not to exceed \$10,000,000 of funds appropriated pursuant to subsection (a) of this section for assistance, on such terms and conditions as he may specify, to schools and libraries abroad, founded or sponsored by citizens of the United States, and serving as study and demonstration centers for ideas and practices of the United States, notwithstanding any other Act authorizing assistance of this kind. Further, in addition to the authority contained in this subsection, it is the sense of Congress that the President should make a special and particular effort to utilize foreign currencies accruing under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended,<sup>132</sup> for the purposes of this subsection.

<sup>126</sup> The words commencing with "or at the applicable rate" and continuing through "whichever is higher," were added by sec. 7 (c) of the MSA of 1955.

<sup>127</sup> See footnote 2.

<sup>128</sup> 22 U. S. C. § 1920. This section was added by sec. 8 (a) of the MSA of 1957.

<sup>129</sup> Sec. 205 (a) of the MSA of 1958 substituted "1959" and "\$202,500,000" for "1958" and "\$250,000,000", respectively.

<sup>130</sup> Mutual Security Appropriation Act, 1959—\$200,000,000.

<sup>131</sup> The following, which appeared after the words "economic stability", were struck out by sec. 205 (a) of the MSA of 1958: "or for assistance in accordance with the provisions of this Act applicable to the furnishing of assistance under title I, section 304, section 405, or section 407 of this Act. \$50,000,000 of the funds authorized to be appropriated pursuant to this section for any fiscal year may be used in such year in accordance with the provisions of section 401 (a)."

<sup>132</sup> Mutual Security Appropriation Act, 1959, makes no appropriation for the purposes of this section.

<sup>133</sup> For text, see page 155.

SEC. 401. [This section redesignated as section 451 of chapter III by the Mutual Security Act of 1958.]

SEC. 402.<sup>133</sup> EARMARKING OF FUNDS.—Of the funds authorized to be made available in the fiscal year 1959<sup>134</sup> pursuant to this Act (other than funds made available pursuant to title II), not less than \$175,000,000<sup>135</sup> shall be used to finance the export and sale for foreign currencies of surplus agricultural commodities or products thereof produced in the United States,<sup>136</sup> in addition to surplus agricultural commodities or products transferred pursuant to the Agricultural Trade Development and Assistance Act of 1954,<sup>137</sup> and in accordance with the standards as to pricing and the use of private trade channels expressed in section 101 of said Act. Foreign currency proceeds accruing from such sales shall be used for the purposes of this Act and with particular emphasis on the purposes of section 104 of the Agricultural Trade Development and Assistance Act of 1954 which are in harmony with the purposes of this Act. Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953,<sup>138</sup> or any other provision of law, the President may use or enter into agreements with friendly nations or organizations of nations to use for such purposes the foreign currencies which accrue to the United States under this section.<sup>139</sup>

SEC. 403.<sup>140</sup> SPECIAL ASSISTANCE IN JOINT CONTROL AREAS. \* \* \*  
(Repealed)

SEC. 403.<sup>141</sup> RESPONSIBILITIES IN GERMANY.—The President is hereby authorized to use during the fiscal year 1959 not to exceed \$8,200,000 of the funds made available pursuant to section 400 (a) of this Act in order to meet the responsibilities or objectives of the United States in Germany, including West Berlin. In carrying out this section, the President may also use currency which has been or may be deposited in the GARIOA (Government and Relief in Occupied Areas) Special Account, including that part of the German currency now or hereafter deposited under the bilateral agreement of December 15, 1949, between the United States and the Federal Republic of Germany (or any supplementary or succeeding agreement) which, upon approval by the President, shall be deposited in the GARIOA Special Account under the terms of article V of that agreement. The President may use the funds available for the purposes of this section on such terms and conditions as he may specify, and without regard to any provision of law which he determines must be disregarded.

<sup>133</sup> 22 U. S. C. § 1922.

<sup>134</sup> "1959" was substituted for "1958" by sec. 205 (b) of the MSAct of 1958.

<sup>135</sup> Sec. 8 (c) of the MSAct of 1957 substituted this language for the first part of this sentence, which formerly read as follows: "Of the funds authorized to be made available pursuant to this Act for the fiscal year 1956, not less than \$300,000,000, and of the funds so authorized for the fiscal year 1957, not less than \$250,000,000."

<sup>136</sup> See also sec. 510 of this Act.

<sup>137</sup> See page 155 for text of Agricultural Trade Development and Assistance Act of 1954, as amended, and page 168 for Executive Order 10560, as amended.

<sup>138</sup> See text, page 74.

<sup>139</sup> See sec. 516 of this Act.

<sup>140</sup> This section was repealed by the MSAct of 1958. The repealed section read as follows:

"SEC. 403. SPECIAL ASSISTANCE IN JOINT CONTROL AREAS.—The President is hereby authorized to furnish commodities, services, and financial and other assistance to nations and areas for which the United States has responsibility at the time of the enactment of this Act as a result of participation in joint control arrangements where found by the President to be in the interest of the security of the United States. There is hereby authorized to be appropriated to the President for the fiscal year 1958 not to exceed \$11,500,000 to carry out this section."

<sup>141</sup> U. S. C. §§ 1923-1924. This section added by sec. 205 (c) of the MSAct of 1958.

SEC. 404.<sup>142</sup> RESPONSIBILITIES IN GERMANY.— \* \* \* (Repealed)

SEC. 405.<sup>143</sup> MIGRANTS, REFUGEES, AND ESCAPEES.<sup>144</sup>—(a) The President is hereby authorized to continue membership for the United States on the Intergovernmental Committee for European Migration in accordance with its constitution approved in Venice, Italy, on October 19, 1953. For the purpose of assisting in the movement of migrants, there is hereby authorized to be appropriated<sup>145</sup> such amounts as may be necessary from time to time for the payment by the United States of its contributions to the Committee and all necessary salaries and expenses incident to United States participation in the Committee.

(b) Of the funds made available under this Act, not more than \$800,000 may be used by the President to facilitate the migration to the other American Republics of persons resident in that portion of the Ryukyu Island Archipelago under United States control.

(c)<sup>146</sup> There is hereby authorized to be appropriated for the fiscal year 1959 not to exceed \$1,200,000<sup>147</sup> for contributions to the program of the United Nations High Commissioner for Refugees for assistance to refugees under his mandate.<sup>148</sup>

(d)<sup>149</sup> There is hereby authorized to be appropriated to the President for the fiscal year 1959 not to exceed \$8,600,000<sup>150</sup> for continuation of activities, including care, training, and resettlement, which have been undertaken for selected escapees under section 451<sup>151</sup> of this Act.

SEC. 406.<sup>152</sup> CHILDREN'S WELFARE.<sup>153</sup>—There is hereby authorized to

<sup>142</sup>This section was repealed by the MSAAct of 1958. The repealed section read as follows:

"SEC. 404. RESPONSIBILITIES IN GERMANY.—Upon approval by the Secretary of State, a part of the German currency now or hereafter deposited under the bilateral agreement of December 15, 1949, between the United States and the Federal Republic of Germany (or any supplementary or succeeding agreement) shall be deposited in the GARIOA (Government and Relief in Occupied Areas) Special Account under the terms of article V of that agreement, and currency which has been or may be deposited in said account, and any portion of funds made available for assistance to the Federal Republic of Germany pursuant to section 408 of this Act, may be used for expenses necessary to meet the responsibilities or objectives of the United States in Germany, including responsibilities arising under the supreme authority assumed by the United States on June 5, 1945, and under contractual arrangements with the Federal Republic of Germany. Expenditures may be made under authority of this section in amounts and under conditions determined by the Secretary of State after consultation with the official primarily responsible for administration of programs under chapter 3 of title I, and without regard to any provision of law which the President determines must be disregarded in order to meet such responsibilities or objectives."

<sup>143</sup>22 U. S. C. § 1925.

<sup>144</sup>The heading, which formerly read "Movement of Migrants and Refugees", was changed by sec. 8 (d) (1) of the MSAAct of 1957.

<sup>145</sup>Mutual Security Appropriation Act, 1959—\$12,500,000: "Provided, That no funds appropriated in this Act shall be used to assist directly in the migration to any nation in the Western Hemisphere of any person not having a security clearance based on reasonable standards to insure against Communist infiltration in the Western Hemisphere;".

<sup>146</sup>Subsec. (c) was amended by sec. 8 (e) (2) of the MSAAct of 1957. It formerly read as follows: "There is hereby authorized to be appropriated for the fiscal year 1956 not to exceed \$1,400,000, and for the fiscal year 1957 not to exceed \$2,300,000, for contributions to the United Nations Refugee Fund."

<sup>147</sup>Mutual Security Appropriation Act, 1959—\$1,200,000.

<sup>148</sup>Sec. 205 (d) (1) of the MSAAct of 1958 struck out, after the words "fiscal year", the following language: "1958 not to exceed \$2,233,000 for contributions to the United Nations Refugee Fund."

<sup>149</sup>Subsec. (d) was amended by sec. 8 (e) (3) of the MSAAct of 1957. It formerly read as follows: "There is hereby authorized to be appropriated to the President for the fiscal year 1956 not to exceed \$6,000,000, and for the fiscal year 1957 not to exceed \$7,000,000, for continuation of activities, including care, training, and resettlement, which have been undertaken for selected escapees under section 401 of this Act."

<sup>150</sup>Sec. 205 (d) (2) of the MSAAct of 1958 substituted "1959" and "\$8,600,000" for "1958" and "\$5,500,000", respectively.

<sup>151</sup>Mutual Security Appropriation Act, 1959—\$8,600,000.

<sup>152</sup>"451" was substituted for "401" by sec. 501 (13) of the MSAAct of 1958.

<sup>153</sup>22 U. S. C. § 1926.

<sup>154</sup>Subsection designation "(a)" was struck out by sec. 8 (f) (1) of the MSAAct of 1957, which also amended the section. Subsec. (a) formerly read as follows: "There is hereby authorized to be appropriated not to exceed \$13,500,000 for contributions during the fiscal year 1955 to the United Nations Children's Fund."

be appropriated not to exceed \$11,000,000<sup>154</sup> for the fiscal year 1959<sup>155</sup> for contributions to the United Nations Children's Fund.<sup>156</sup>

SEC. 407.<sup>157</sup> PALESTINE REFUGEES IN THE NEAR EAST.<sup>158</sup>—There is hereby authorized to be appropriated to the President for the fiscal year 1959 not to exceed \$25,000,000<sup>159</sup> to be used to make contributions to the United Nations Relief and Works Agency for Palestine Refugees in the Near East: *Provided*, That of the funds appropriated pursuant to this section fifteen per centum shall be available only for repatriation or resettlement of such refugees.<sup>160</sup> In determining whether or not to continue furnishing assistance for Palestine refugees in the Near East, the President shall take into account whether Israel and the Arab host governments are taking steps toward the resettlement and repatriation of such refugees. Whenever the President shall determine that it would more effectively contribute to the relief, rehabilitation, and resettlement of Palestine refugees in the Near East, he may expend any part of the funds made available pursuant to this section through any other agency he may designate.

SEC. 408.<sup>161</sup> NORTH ATLANTIC TREATY ORGANIZATION.<sup>162</sup>—(a) In order to provide for United States participation in the North Atlantic Treaty Organization, there is hereby authorized to be appropriated<sup>163</sup> such amounts as may be necessary from time to time for the payment by the United States of its share of the expenses of the Organization and all necessary salaries and expenses of the United States permanent representative to the Organization, of such persons as may be appointed to represent the United States in the subsidiary bodies of the Organization or in any multilateral organization which participates in achieving the aims of the North Atlantic Treaty, and of their appropriate staffs, and the expenses of participation in meetings of such organizations, including salaries, expenses, and allowances of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended (22 U. S. C. 801), and allowances and expenses as provided in section 6 of the Act of July 30, 1946 (22 U. S. C. 287r).

(b) The United States permanent representative to the North Atlantic Treaty Organization shall be appointed by the President by and with the advice and consent of the Senate and shall hold office at the pleasure of the President. Such representative shall have the rank and status of ambassador extraordinary and plenipotentiary and shall be a chief of mission, class 1, within the meaning of the Foreign Service Act of 1946, as amended (22 U. S. C. 801).

<sup>154</sup> Mutual Security Appropriation Act, 1959—\$11,000,000.

<sup>155</sup> "1959" was substituted for "1958" by sec. 205 (e) of the MSAAct of 1958.

<sup>156</sup> Subsec. (b) was struck out by sec. 8 (f) (2) of the MSAAct of 1957. It formerly read as follows: "There is hereby authorized to be appropriated for the fiscal year 1956 not to exceed \$14,500,000, and for the fiscal year 1957 not to exceed \$10,000,000, for contributions to the United Nations Children's Fund."

<sup>157</sup> 22 U. S. C. § 1927.

<sup>158</sup> Amended by sec. 8 (g) of the MSAAct of 1957, which also struck out subsection designations "(a)" and "(b)".

<sup>159</sup> Mutual Security Appropriation Act, 1959—\$25,000,000, and in addition the unobligated balances of funds heretofore made available for this purpose are continued available."

<sup>160</sup> This sentence amended by sec. 205 (f) of the MSAAct of 1958. It formerly read: "There is hereby authorized to be appropriated to the President not to exceed \$65,000,000 to be used to make contributions to the United Nations Relief and Works Agency for Palestine Refugees in the Near East."

<sup>161</sup> 22 U. S. C. § 1928.

<sup>162</sup> For text of the North Atlantic Treaty, see page 337.

<sup>163</sup> The words "for the fiscal year 1955 not to exceed \$3,200,000 for payment by the United States of its share of the expenses of the Organization, and thereafter" following "appropriated" were deleted by sec. 8 (h) of the MSAAct of 1957.

(c) Persons detailed to the international staff of the North Atlantic Treaty Organization in accordance with section 529 of this Act who are appointed as Foreign Service Reserve Officers may serve for periods of more than four years notwithstanding the limitation in section 522 of the Foreign Service Act of 1946, as amended (22 U. S. C. 922).

SEC. 409.<sup>164</sup> OCEAN FREIGHT CHARGES.—(a) In order to further the efficient use of United States voluntary contributions for relief and rehabilitation in nations and areas eligible for assistance under this Act, the President may pay ocean freight charges from United States ports to designated ports of entry of such nations and areas on shipments by United States voluntary nonprofit relief agencies registered with and approved by the Advisory Committee on Voluntary Foreign Aid and shipments by the American Red Cross.

(b) Where practicable the President shall make arrangements with the receiving nation for free entry of such shipments and for the making available by that nation of local currencies for the purpose of defraying the transportation cost of such shipments from the port of entry of the receiving nation to the designated shipping point of the consignee.

(c)<sup>165</sup> There is hereby authorized to be appropriated to the President for the fiscal year 1959<sup>166</sup> not to exceed \$2,100,000<sup>166</sup> to carry out the purposes of this section.<sup>167</sup>

(d)<sup>168</sup> In addition, any funds made available under this Act may be used, in amounts determined by the President, to pay ocean freight charges on shipments of surplus agricultural commodities, including commodities made available pursuant to any Act for the disposal abroad of United States agricultural surpluses.<sup>169</sup>

SEC. 410.<sup>170</sup> CONTROL ACT EXPENSES.—There is hereby authorized to be appropriated to the President for the fiscal year 1959<sup>171</sup> not to exceed \$1,000,000<sup>172</sup> for carrying out the objectives of the Mutual Defense Assistance Control Act of 1951 (22 U. S. C. 1611).<sup>173</sup> In addition, in accordance with section 303 of that Act, funds made available for carrying out chapter I<sup>174</sup> of this Act shall be available for carrying out the purpose of this section in such amounts as the President may direct.

SEC. 411.<sup>175</sup> ADMINISTRATIVE AND OTHER EXPENSES.—(a) Whenever possible, the expenses of administration of this Act shall be paid for in the currency of the nation where the expense is incurred.

(b)<sup>176</sup> There is hereby authorized to be appropriated to the President for the fiscal year 1959<sup>177</sup> not to exceed \$33,000,000<sup>177</sup> for necessary administrative expenses incident to carrying out the provisions

<sup>164</sup> 22 U. S. C. § 1929.

<sup>165</sup> This subsection was revised by sec. 8 (1) (1) of the MSAct of 1957.  
<sup>166</sup> "1959" and "\$2,100,000" were substituted for "1958" and "\$2,200,000", respectively, by sec. 205 (g) of the MSAct of 1958.

<sup>167</sup> Mutual Security Appropriation Act, 1959—\$2,100,000.

<sup>168</sup> This subsection was revised by sec. 8 (1) (2) of the MSAct of 1957.

<sup>169</sup> See sec. 402 of this Act and the Agricultural Trade Development and Assistance Act of 1954 (page 155).

<sup>170</sup> 22 U. S. C. § 1930. Sec. 410 was revised by sec. 8 (j) of the MSAct of 1957.

<sup>171</sup> "1959" was substituted for "1958" by sec. 205 (h) of the MSAct of 1958.

<sup>172</sup> Mutual Security Appropriation Act, 1959—\$1,000,000.

<sup>173</sup> For text, see page 78.

<sup>174</sup> Sec. 501 (14) of the MSAct of 1958 substituted "chapter I" in lieu of "chapter 1 of title I".

<sup>175</sup> 22 U. S. C. § 1931.

<sup>176</sup> This subsection was revised by sec. 8 (k) (1) of the MSAct of 1957.  
<sup>177</sup> "1959" and "\$33,000,000" were substituted for "1958" and "\$32,750,000", respectively, by sec. 205 (1) (1) of the MSAct of 1958.

Mutual Security Appropriation Act, 1959—\$33,000,000.

of this Act (other than chapter I<sup>178</sup> and title II of chapter II<sup>178</sup>) and functions under the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U. S. C. 1691 and the following)<sup>179</sup> performed by any agency or officer administering nonmilitary assistance.

(c)<sup>180</sup> There are authorized to be appropriated to the Department of State such amounts, not to exceed \$7,000,000 in any fiscal year, as may be necessary from time to time for administrative expenses which are incurred for functions of the Department under this Act or for<sup>181</sup> normal functions of the Department which relate to functions under this Act.

(d)<sup>180</sup> Funds made available for the purposes of this Act may be used for compensation, allowances, and travel of personnel, including Foreign Service personnel whose services are utilized primarily for the purposes of this Act, and without regard to the provisions of any other law, for printing and binding, and for expenditures outside the continental limits of the United States for the procurement of supplies and services and for other administrative and operating purposes (other than compensation of personnel) without regard to such laws and regulations governing the obligation and expenditure of Government funds as may be necessary to accomplish the purposes of this Act.

SEC. 412.<sup>182</sup> CHINESE AND KOREAN STUDENTS.—\* \* \* (Repealed)

SEC. 413.<sup>183</sup> ENCOURAGEMENT OF FREE ENTERPRISE AND PRIVATE PARTICIPATION.—(a) The Congress recognizes the vital role of free enterprise in achieving rising levels of production and standards of living essential to the economic progress and defensive strength of the free world. Accordingly, it is declared to be the policy of the United States to encourage the efforts of other free nations to increase the flow of international trade, to foster private initiative and competition, to discourage monopolistic practices, to improve the technical efficiency of their industry, agriculture and commerce, and to strengthen free labor unions; and to encourage the contribution of United States enterprise toward economic strength of other free nations, through private trade and investment abroad, private participation in the programs carried out under this Act (including the use of private trade channels to the maximum extent practicable in carrying out such programs), and exchange of ideas and technical information on the matters covered by this section.

<sup>178</sup> Sec. 501 (15) of the MSAAct of 1958 substituted "chapter I" in lieu of "chapter 1 of title I". The words "and title II of chapter II" were inserted by sec. 205 (1) (1) of the MSAAct of 1958.

<sup>179</sup> For text, see page 155.  
<sup>180</sup> Sec. 8 (k) (2) of the MSAAct of 1957 struck out subsec. (c) and redesignated former subsec. "(d)" and "(e)" as subsecs. "(c)" and "(d)", respectively.

<sup>181</sup> Mutual Security Appropriation Act, 1959—\$6,692,500.

<sup>182</sup> The words "functions of the Department under this Act or for" were added by sec. 205 (1) (2) of the MSAAct of 1958.

<sup>183</sup> This section was repealed by the MSAAct of 1957. The repealed section read as follows:

"SEC. 412. CHINESE AND KOREAN STUDENTS.—Funds heretofore allocated to the Secretary of State pursuant to the last proviso of section 202 of the China Area Aid Act of 1950 (22 U. S. C. 1547) shall continue to be available until expended, under such regulations as the Secretary of State may prescribe, using private agencies to the maximum extent practicable, for necessary expenses of tuition, subsistence, transportation, and emergency medical care for selected citizens of China and of Korea for studying or teaching in accredited colleges, universities, or other educational institutions in the United States approved by the Secretary of State for the purpose, or for research and related academic and technical activities in the United States, and such selected citizens of China who have been admitted for the purpose of study in the United States shall be granted permission to accept employment upon application filed with the Commissioner of Immigration and Naturalization pursuant to regulations promulgated by the Attorney General."

<sup>184</sup> 22 U. S. C. § 1933.

(b) In order to encourage and facilitate participation by private enterprise to the maximum extent practicable in achieving any of the purposes of this Act, the President—

(1) shall make arrangements to find and draw the attention of private enterprise to opportunities for investment and development in other free nations;

(2) shall accelerate a program of negotiating treaties for commerce and trade, including tax treaties, which shall include provisions to encourage and facilitate the flow of private investment to, and its equitable treatment in,<sup>184</sup> nations participating in programs under this Act;

(3) shall, consistent with the security and best interests of the United States, seek compliance by other countries or a dependent area of any country with all treaties for commerce and trade and taxes and shall take all reasonable measures under this Act or other authority to secure compliance therewith and to assist United States citizens in obtaining just compensation for losses sustained by them or payments exacted from them as a result of measures taken or imposed by any country or dependent area thereof in violation of any such treaty; and

(4) may make, through an agency<sup>185</sup> responsible for administering nonmilitary assistance under this Act,<sup>186</sup> until June 30, 1967,<sup>187</sup> under rules and regulations prescribed by him, guaranties to any person of investments in connection with projects, including expansion, modernization, or development of existing enterprises, in any nation with which the United States has agreed to institute the guaranty program: *Provided*, That—

(A) such projects shall be approved by the President as furthering any of the purposes of this Act, and by the nation concerned;

(B) the guaranty to any person shall be limited to assuring any or all of the following:

(i) the transfer into United States dollars of other currencies, or credits in such currencies, received by such person as earnings or profits from the approved project, as repayment or return of the investment therein, in whole or in part, or as compensation for the sale or disposition of all or any part thereof;

(ii) the compensation in United States dollars for loss of all or any part of the investment in the approved project which shall be found by the President to have been lost to such person by reason of expropriation or confiscation by action of the government of a foreign nation or by reason of war;<sup>188</sup>

(C) when any payment is made to any person pursuant to a guaranty as hereinbefore described, the currency, credits, assets, or investment on account of which such payment is

<sup>184</sup> The words "and its equitable treatment in," were added by sec. 8 (j) of the MSAAct of 1956.

<sup>185</sup> The words "an agency" were substituted in lieu of "the agency primarily" by sec. 205 (j), (1) of the MSAAct of 1958.

<sup>186</sup> The words "through the agency primarily responsible for administering nonmilitary assistance under this Act" were added by sec. 8 (k) (1) of the MSAAct of 1956. See also sec. 521 of this Act.

<sup>187</sup> This date was substituted for "June 30, 1956" by sec. 8 (k) (2) of the MSAAct of 1956.

<sup>188</sup> The words "or by reason of war" were added by sec. 8 (k) (3) of the MSAAct of 1956.

made shall become the property of the United States Government, and the United States Government shall be subrogated to any right, title, claim or cause of action existing in connection therewith;

(D) the guaranty to any person shall not exceed the amount of dollars invested in the project by such person with the approval of the President plus actual earnings or profits on said project to the extent provided by such guaranty, and shall be limited to a term not exceeding twenty years from the date of issuance;

(E) a fee shall be charged in an amount not exceeding 1 per centum per annum of the amount of each guaranty under clause (i) of subparagraph (B), and not exceeding 4 per centum of the amount of each guaranty under clause (ii) of such subparagraph, and all fees collected hereunder shall be available for expenditure in discharge of liabilities under guaranties made under this section until such time as all such liabilities have been discharged or have expired, or until all such fees have been expended in accordance with the provisions of this section: *Provided*, That in the event the fee to be charged for a type of guaranty is reduced, fees to be paid under existing contracts for the same type of guaranty may be similarly reduced;<sup>189</sup>

(F) the President is authorized to issue guaranties up to a total face value of \$500,000,000 exclusive of informational media guaranties heretofore and hereafter issued pursuant to section 1011 of the Act of January 27, 1948, as amended (22 U. S. C. 1442), and section 111 (b) (3) of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1509 (b) (3)): *Provided*, That any funds allocated to a guaranty and remaining after all liability of the United States assumed in connection therewith has been released, discharged, or otherwise terminated, and funds realized after June 30, 1955, from the sale of currencies or other assets acquired pursuant to subparagraph (C), shall be available for allocation to other guaranties, and the foregoing limitation shall be increased to the extent that such funds become available. Any payments made to discharge liabilities under guaranties issued under this paragraph shall be paid out of fees collected under subparagraph (E) as long as such fees are available, and thereafter shall be paid out of funds realized from the sale of currencies or other assets acquired pursuant to subparagraph (C) and notes which have been issued under authority of paragraph 111 (c) (2) of the Economic Cooperation Act of 1948, as amended, and authorized to be issued under this paragraph by the Director of the International Cooperation Administration or such other officer as the President may designate,<sup>190</sup> when necessary to discharge liabilities under any such guaranty: *Provided*, That all guaranties issued after June 30, 1956, pursuant to this paragraph shall be considered for

<sup>189</sup>This proviso was added by sec. 205 (j) (1) of the MSAct of 1958.

<sup>190</sup>The words "or such other officer as the President may designate" were added by sec. 205 (j) (1) of the MSAct of 1958.

the purposes of sections 3679 (31 U. S. C. 665) and 3732 (41 U. S. C. 11) of the Revised Statutes, as amended, as obligations only to the extent of the probable ultimate net cost to the United States of such guaranties; and the President shall, in the submission to the Congress of the reports required by section 534 of this Act, include information on the operation of this paragraph: *Provided further*, That at all times funds shall be allocated to all outstanding guaranties issued prior to July 1, 1956, exclusive of informational media guaranties issued pursuant to section 1011 of the Act of January 27, 1948, as amended (22 U. S. C. 1442), and section 111 (b) (3) of the Economic Cooperation Act of 1948, as amended, equal to the sum of the face value of said guaranties. For the purpose of this paragraph the Director of the International Cooperation Administration or such other officer as the President may designate <sup>190</sup> is authorized to issue notes (in addition to the notes heretofore issued pursuant to paragraph 111 (c) (2) of the Economic Cooperation Act of 1948, as amended) in an amount not to exceed \$37,500,000, and on the same terms and conditions applicable to notes issued pursuant to said paragraph 111 (c) (2); <sup>191</sup>

(G) the guaranty program authorized by this paragraph shall be used to the maximum practicable extent and shall be administered under broad criteria so as to facilitate and increase the participation of private enterprise in achieving any of the purposes of this Act;

(H) as used in this paragraph—

(i) the term "person" means a citizen of the United States or any corporation, partnership, or other association created under the law of the United States or of any State or Territory and substantially beneficially owned by citizens of the United States, and

(ii) the term "investment" includes any contribution of capital goods, materials, equipment, services, patents, processes, or techniques by any person in the form of (1) a loan or loans to an approved project, (2) the purchase of a share of ownership in any such project, (3) participation in royalties, earnings, or profits of any such project, and (4) the furnishing of capital goods items and related services pursuant to a contract providing for payment in whole or in part after the end of the fiscal year year in which the guaranty of such investment is made.

(c) <sup>192</sup> Under the direction of the President, the Departments of State and Commerce and such other agencies of the Government as the President shall deem appropriate, in cooperation to the fullest extent practicable with private enterprise concerned with international trade, foreign investment, and business operations in foreign countries, shall conduct a study of the ways and means in which the role of the private sector of the national economy can be more effectively utilized and protected in carrying out the purposes of this Act, so as to promote the foreign policy of the United States, to stabilize and to expand its econ-

<sup>190</sup> The words "or such other officer as the President may designate" were added by sec. 205 (j) (1) of the MSAct of 1958.

<sup>191</sup> Subpar. (F) was amended by sec. 8 (k) (4) of the MSAct of 1956.

<sup>192</sup> This subsection was inserted by sec. 205 (j) (2) of the MSAct of 1958.

omy and to prevent adverse effects, with special reference to areas of substantial labor surplus. Such study shall include specific recommendations for such legislative and administrative action as may be necessary to expand the role of private enterprise in advancing the foreign policy objectives of the United States.

SEC. 414.<sup>193</sup> MUNITIONS CONTROL.—(a) The President is authorized to control, in furtherance of world peace and the security and foreign policy of the United States, the export and import of arms, ammunition, and implements of war, including technical data relating thereto, other than by a United States Government agency. The President is authorized to designate those articles which shall be considered as arms, ammunition, and implements of war, including technical data relating thereto, for the purposes of this section.<sup>194</sup>

(b) As prescribed in regulations issued under this section, every person who engages in the business of manufacturing, exporting, or importing any arms, ammunition, or implements of war, including technical data relating thereto, designated by the President under subsection (a), shall register with the United States Government agency charged with the administration of this section and in addition, shall pay a registration fee which shall be prescribed by such regulations. Such regulations shall prohibit the return to the United States for sale in the United States (other than for the Armed Forces of the United States and its allies) of any military firearms or ammunition of United States manufacture furnished to foreign governments by the United States under this Act or any other foreign assistance program of the United States, whether or not advanced in value or improved in condition in a foreign country. This prohibition shall not extend to similar firearms that have been so substantially transformed as to become, in effect, articles of foreign manufacture.<sup>195</sup>

(c) Any person who willfully violates any provision of this section or any rule or regulation issued under this section, or who willfully, in a registration or license application, makes any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading, shall upon conviction be fined not more than \$25,000 or imprisoned not more than two years, or both.

SEC. 415.<sup>196</sup> ASSISTANCE TO INTERNATIONAL ORGANIZATIONS.—Whenever it will assist in achieving purposes declared in this Act, the President is authorized to use funds available under sections 131 and 403 in order to furnish assistance, including by transfer of funds, directly to the North Atlantic Treaty Organization and the Organization for European Economic Cooperation, for a strategic stockpile of food-stuffs and other supplies, or for other purposes.<sup>197</sup>

SEC. 416.<sup>198</sup> FACILITATION AND ENCOURAGEMENT OF TRAVEL.—The President, through such officer or commission as he may designate, shall facilitate and encourage, without cost to the United States except for administration expenses, the promotion and development of travel by citizens of the United States to and within countries receiving assist-

<sup>193</sup> 22 U. S. C. § 1934.

<sup>194</sup> See also the Mutual Defense Assistance Control Act of 1951, page 78.

<sup>195</sup> The last two sentences added by sec. 205 (k) of the MSAct of 1958.

<sup>196</sup> 22 U. S. C. § 1935.

<sup>197</sup> The words "and the Organization for European Economic Cooperation" were added by sec. 8 (1) (2) of the MSAct of 1958.

<sup>198</sup> 22 U. S. C. § 1936.

ance under this Act and travel by citizens of such countries to the United States. To this end, under the direction of the President, the Departments of State and Commerce, the agency primarily responsible for administering nonmilitary assistance under this Act and such other agencies of the Government as the President shall deem appropriate, in cooperation to the fullest extent practicable with private enterprise concerned with international travel, shall conduct a study of barriers to international travel and ways and means of promoting, developing, encouraging, and facilitating such travel in the mutual interests of the United States and countries assisted under this Act.<sup>199</sup>

SEC. 417.<sup>200</sup> IRISH COUNTERPART.—Pursuant to section 115 (b) (6) of the Economic Cooperation Act of 1948, as amended, the disposition within Ireland of the unencumbered balance, in the amount of approximately 6,000,000 Irish pounds, of the special account of Irish funds established under article IV of the Economic Cooperation Agreement between the United States of America and Ireland, dated June 28, 1948, for the purposes of—

- (1) scholarship exchange between the United States and Ireland;
- (2) other programs and projects (including the establishment of an Agricultural Institute) to improve and develop the agricultural production and marketing potential of Ireland and to increase the production and efficiency of Irish industry; and
- (3) development programs and projects in aid of the foregoing objectives, is hereby approved, as provided in the agreement between the Government of the United States of America and the Government of Ireland, dated June 17, 1954.

SEC. 418.<sup>201</sup> PRESIDENT'S FUND FOR ASIAN ECONOMIC DEVELOPMENT.— \* \* \* (Repealed in 1956)

<sup>199</sup> This last sentence was added by sec. 8 (m) of the MSAct of 1957.

<sup>200</sup> 22 U. S. C. § 1937.

<sup>201</sup> This section was repealed by the MSAct of 1956. The repealed section read as follows:

"SEC. 418. PRESIDENT'S FUND FOR ASIAN ECONOMIC DEVELOPMENT.—(a) The Congress of the United States reaffirms the policy of the United States to contribute to international peace and security through assisting the peoples of free Asia in their efforts to attain economic and social well-being, to safeguard basic rights and liberties, and to protect their security and independence. The Congress hereby recognizes that fundamental to these goals is an expanding economic growth of the free Asia area based upon self-help and mutual cooperation and full utilization of already existing resources and knowledge. The Congress expresses the willingness of the people of the United States to support the foregoing objectives to the extent to which the countries in the area continue to make effective use of their own resources and external resources otherwise available to them.

"(b) In order to carry out the purposes of this section, there is hereby authorized to be established a fund, to be known as the 'President's Fund for Asian Economic Development' (hereinafter referred to as 'the Fund'), and there is hereby authorized to be appropriated to the President for the Fund an amount of \$200,000,000, such amount to remain available until June 30, 1958.

"(c) The President is authorized to utilize the appropriations made available for the Fund to accomplish in the free Asian area the policies and purposes declared in this Act and to disburse them on such terms and conditions, including transfer of funds, as he may specify to any person, corporation, or other body of persons however designated, or to any friendly foreign government, agency, or organization or group of friendly governments or agencies as may be appropriate: *Provided, however,* That such assistance shall emphasize loans rather than grants wherever possible, and not less than 50 per centum of the funds appropriated pursuant to this section shall be available only for furnishing assistance on terms of repayment in accordance with the provisions of section 503, and not more than 25 per centum of said funds may be allocated for assistance to any one nation.

"(d) In utilizing the Fund the President shall give preference to projects or programs that will clearly contribute to promoting greater economic strength in the area as a whole or among a group or groups of countries of the area."

Mutual Security Appropriation Act, 1959, provides: "Unobligated balances of funds heretofore made available for the President's Fund for Asian Economic Development are hereby continued available for the fiscal year 1959 for the purposes for which originally appropriated."

SEC. 419.<sup>202</sup> WORLD HEALTH ORGANIZATION.—\* \* \* (Repealed)

SEC. 419.<sup>203</sup> ATOMS FOR PEACE.—(a) The President is hereby authorized to furnish from funds made available pursuant to this section, in addition to other funds available for such purposes, and on such terms and conditions as he may specify, assistance designed to promote the peaceful uses of atomic energy abroad. There is hereby authorized to be appropriated to the President for the fiscal year 1959<sup>204</sup> not to exceed \$5,500,000<sup>204</sup> to carry out the purposes of this section.<sup>205</sup>

(b) The United States share of the cost of any research reactor made available to another government under this section shall not exceed \$350,000.

(c) In carrying out the purposes of this section, the appropriate United States departments and agencies shall give full and continuous publicity through the press, radio, and all other available mediums, so as to inform the peoples of the participating countries regarding the assistance, including its purpose, source, and character, furnished by the United States. Such portions of any research reactor furnished under this section as may be appropriately die-stamped or labeled as a product of the United States shall be so stamped or labeled.

SEC. 420.<sup>206</sup> MALARIA ERADICATION.—The Congress of the United States, recognizing that the disease of malaria, because of its widespread prevalence, debilitating effects, and heavy toll in human life, constitutes a major deterrent to the efforts of many peoples to develop their economic resources and productive capacities and to improve their living conditions, and further recognizing that it now appears technically feasible to eradicate this disease, declares it to be the policy of the United States and the purpose of this section to assist other peoples in their efforts to eradicate malaria. The President is hereby authorized to use funds made available under this Act (other than chapter I and title II of chapter II)<sup>207</sup> to furnish to such nations, organizations, persons or other entities as he may determine, and on such terms and conditions as he may specify, financial and other assistance to carry out the purpose of this section: *Provided*, That this section shall not affect the authority of the Development Loan Fund to make loans for such purposes, so long as such loans are made in accordance with the provisions of title II of chapter II.<sup>208</sup>

<sup>202</sup>This section was repealed by the MSAct of 1957. The repealed section read as follows:

"SEC. 419. WORLD HEALTH ORGANIZATION.—Section 3 (a) of Public Law 643, Eightieth Congress, approved June 14, 1948, as amended, is hereby amended to read as follows:

"(a) such sums as may be necessary for the payment by the United States of its share of the expenses of the Organization as apportioned by the Health Assembly in accordance with article 56 of the constitution of the Organization, except that payments by the United States for any fiscal year of the Organization after 1958 shall not exceed 33½ per centum of the total assessments of active members of the Organization for such fiscal year; and."

<sup>203</sup>Sec. 419 was added by sec. 8 (n) of the MSAct of 1957.

<sup>204</sup>"1959" and "\$5,500,000" were substituted for "1958" and "\$7,000,000", respectively, by sec. 205 (1) of the MSAct of 1958.

<sup>205</sup>Mutual Security Appropriation Act, 1959—\$5,500,000.

<sup>206</sup>22 U. S. C. § 1940. Sec. 420 was added by sec. 8 (n) of the MSAct of 1957.

<sup>207</sup>The words "to use funds made available under this Act (other than chapter I and title II of Chapter II)" were added by sec. 205 (m) of the MSAct of 1958.

<sup>208</sup>This proviso was added by sec. 205 (m) of the MSAct of 1958, which also struck out the last sentence of the section, which read as follows: "Not to exceed \$23,300,000 of the funds made available pursuant to authorizations contained in this Act (other than title I, chapter I, and title II) may be used during the fiscal year 1958 to carry out the purpose of this section."

SEC. 421.<sup>209</sup> FOOD AND AGRICULTURE ORGANIZATION.— \* \* \* (Repealed)

CHAPTER III—CONTINGENCY FUND<sup>210</sup>

SEC. 451.<sup>211</sup> PRESIDENT'S SPECIAL AUTHORITY AND CONTINGENCY FUND.<sup>212</sup>—(a) Of the funds made available for use<sup>213</sup> under this Act,<sup>214</sup> not to exceed \$150,000,000, in addition to the funds authorized for use under this subsection by subsection (b) of this section,<sup>215</sup> may be used in any fiscal year, without regard to the requirements of this Act or any other Act for which funds are authorized by this Act or any Act appropriating funds for use under<sup>216</sup> this Act, in furtherance of any of the purposes of such Acts, when the President determines that such use is important to the security of the United States. Not to exceed \$100,000,000 of the funds available under this subsection<sup>217</sup> may be expended for any selected persons who are residing in or escapees from the Soviet Union, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, Albania, Lithuania, Latvia, and Estonia or the Communist-dominated or Communist-occupied areas of Germany, or any Communist-dominated or Communist-occupied areas of Asia and any other countries absorbed by the Soviet Union, either to form such persons into elements of the military forces supporting the North Atlantic Treaty Organization or for other purposes, when the President determines that such assistance will contribute to the defense of the North Atlantic area or to the security of the United States. Certification by the President that he has expended amounts under this Act not in excess of \$50,000,000, and that it is advisable to specify the nature of such expenditures, shall be deemed a sufficient voucher for such amounts. Not more than \$30,000,000 of the funds available under this subsection<sup>217</sup> may be allocated to any one nation in any fiscal year.

(b)<sup>218</sup> There is hereby authorized to be appropriated to the President for the fiscal year 1959 not to exceed \$155,000,000<sup>219</sup> for assistance authorized by this Act, other than by title II of chapter II, in accordance with the provisions of this Act applicable to the furnishing of such assistance. \$100,000,000 of the funds authorized to be appropriated pursuant to this subsection for any fiscal year may be used in such year in accordance with the provisions of subsection (a) of this section.

<sup>209</sup> This section was repealed by the MSAAct of 1957. The repealed section read as follows:

"SEC. 421. FOOD AND AGRICULTURE ORGANIZATION.—Public Law 174, Seventy-ninth Congress, as amended by section 1 (b) of Public Law 806, Eighty-first Congress, is hereby further amended by striking out the figure '\$2,000,000' in section 2 thereof and inserting in lieu thereof the figure '\$3,000,000,' and by inserting before the period at the end of such section a colon and the following: '*Provided*, That the percentage contribution of the United States to the total annual budget of the Organization shall not exceed 31.5 per centum.'

<sup>210</sup> See footnote 2.

<sup>211</sup> 22 U. S. C. § 1951.

<sup>212</sup> The words "AND CONTINGENCY FUND" were added to the heading by sec. 301 (a) of the MSAAct of 1958.

<sup>213</sup> The words "for use" were added by sec. 301 (b) (1) of the MSAAct of 1958.

<sup>214</sup> See sec. 202 (b) of this Act.

<sup>215</sup> The words "use under this subsection by subsection (b) of this section" were substituted for "such use by section 400 (a) of this Act" by sec. 301 (b) (1) of the MSAAct of 1958.

<sup>216</sup> The words "for use under" were substituted for "pursuant to authorizations contained in" by sec. 301 (b) (1) of the MSAAct of 1958.

<sup>217</sup> The word "subsection" was substituted for "section" by sec. 301 (b) (2) of the MSAAct of 1958.

<sup>218</sup> This subsection added by sec. 301 (c) of the MSAAct of 1958 and former subsec. (b) was redesignated subsec. (c).

<sup>219</sup> Mutual Security Appropriation Act, 1959—\$155,000,000.

(c)<sup>220</sup> It is the purpose of this Act to advance the cause of freedom. The Congress joins with the President of the United States in proclaiming the hope that the peoples who have been subjected to the captivity of communist despotism shall again enjoy the right of self-determination within a framework which will sustain the peace; that they shall again have the right to choose the form of government under which they will live, and that sovereign rights of self-government shall be restored to them all in accordance with the pledge of the Atlantic Charter. Funds available under subsection (a) of<sup>221</sup> this section may be used for programs of information, relief, exchange of persons, education, and resettlement, to encourage the hopes and aspirations of peoples who have been enslaved by communism.

#### CHAPTER IV—GENERAL AND ADMINISTRATIVE PROVISIONS<sup>222</sup>

SEC. 501.<sup>223</sup> TRANSFERABILITY OF FUNDS.—Whenever the President determines it to be necessary for the purposes of this Act, not to exceed 10 per centum of the funds made available pursuant to any provision of this Act may be transferred to and consolidated with the funds made available pursuant to any other provisions of this Act,<sup>224</sup> and may be used for any of the purposes for which such funds may be used, except that the total in the provision for the benefit of which the transfer is made shall not be increased by more than 20 per centum of the amount made available for such provision pursuant to this Act.<sup>225</sup>

SEC. 502.<sup>226</sup> USE OF FOREIGN CURRENCY.—(a) Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953,<sup>227</sup> or any other provision of law, proceeds of sales made under section 550 of the Mutual Security Act of 1951, as amended,<sup>228</sup> shall remain available and shall be used for any purposes of this Act, giving particular regard to the following purposes—

- (1) for providing military assistance to nations or mutual defense organizations eligible to receive assistance under this Act;
- (2) for purchase of goods or services in friendly nations;
- (3) for loans, under applicable provisions of this Act, to increase production of goods or services, including strategic materials, needed in any nation with which an agreement was

<sup>220</sup> Sec. 8 (b) (3) of the MSA of 1957 struck out former subsec. "(b)", which read as follows: "There is hereby authorized to be appropriated to the President for the fiscal year 1958 \$100,000,000, and for the fiscal year 1957 not to exceed \$100,000,000, for use in accordance with subsection (a) of this section." Sec. 8 (b) (4) of the MSA of 1957 redesignated subsec. "(c)", which was added by sec. 8 (a) (4) of the MSA of 1956, as subsec. "(b)".

<sup>221</sup> The words "subsection (a) of" were added by sec. 301 (d) of the MSA of 1958.

<sup>222</sup> See footnote 2.

<sup>223</sup> 22 U. S. C. § 1753.

<sup>224</sup> See sec. 202 (b) of this Act.

<sup>225</sup> The last three sentences of former sec. 501 were deleted by sec. 9 (a) of the MSA of 1956. The three sentences formerly read as follows: "Funds transferred under this section to furnish military assistance under chapter 1 of title I may be expended without regard to the area limits imposed by sec. 105 (e). Of any funds transferred under this section for the purpose of furnishing assistance under section 201, 30 per centum shall be available only for furnishing assistance on terms of repayment in accordance with sec. 505. [Not less than 50 per centum of any assistance furnished under paragraph (1), (2) or (3) of section 201 (a) with funds transferred under this section shall be furnished on terms of repayment in accordance with section 505.]"

<sup>226</sup> 22 U. S. C. § 1754.

<sup>227</sup> For text, see page 74.  
<sup>228</sup> Repealed by sec. 542 of the MSA of 1954. For complete text of sec. 550, see foot-note 3 of the Agricultural Trade Development and Assistance Act of 1954, as amended (pages 155-156).

negotiated, or in other friendly nations, with the authority to use currencies received in repayment for the purposes stated in this section or for deposit to the general account of the Treasury of the United States;

(4) for developing new markets on a mutually beneficial basis;

(5) for grants-in-aid to increase production for domestic needs in friendly countries; and

(6) for purchasing materials for United States stockpiles.

(b) Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953,<sup>229</sup> or any other provision of law, local currencies owned by the United States shall be made available to appropriate committees of the Congress engaged in carrying out their duties under section 136 of the Legislative Reorganization Act of 1946, as amended,<sup>230</sup> and to the Joint Committee on Atomic Energy and the Joint Economic Committee and the Select Committees on Small Business of the Senate and House of Representatives<sup>231</sup> for their local currency expenses: *Provided*, That each member or employee of any such committee shall make, to the chairman of such committee in accordance with regulations prescribed by such committee, an itemized report showing the amounts and dollar equivalent values of each such foreign currency expended, together with the purposes of the expenditure, including lodging, meals, transportation, and other purposes. Within the first sixty days that Congress is in session in each calendar year, the chairman of each such committee shall consolidate the reports of each member and employee of the committee and forward said consolidated report, showing the total itemized expenditures of the committee and each subcommittee thereof during the preceding calendar year, to the Committee on House Administration of the House of Representatives (if the committee be a committee of the House of Representatives or a joint committee whose funds are disbursed by the Clerk of the House) or to the Committee on Appropriations of the Senate (if the committee be a Senate committee or a joint committee whose funds are disbursed by the Secretary of the Senate). Each such report submitted by each committee shall be published in the Congressional Record within ten legislative days after receipt by the Committee on House Administration of the House or the Committee on Appropriations of the Senate.<sup>232</sup>

SEC. 503.<sup>233</sup> TERMINATION OF ASSISTANCE.<sup>234</sup>—If the President determines that the furnishing of assistance to any nation under any provision of this Act—

<sup>229</sup> For text, see page 74.

<sup>230</sup> 60 Stat. 832; 2 U. S. C. § 190d.

<sup>231</sup> The words "and to the Joint Committee on Atomic Energy and the Joint Committee on the Economic Report" were added by sec. 9 (a) of the MSAAct of 1955. "Joint Committee on the Economic Report" was deleted and "Joint Economic Committee and the Select Committee on Small Business of the Senate and House of Representatives" inserted by sec. 9 (b) of the MSAAct of 1956.

<sup>232</sup> The proviso, amending a former proviso, and the last two sentences were added by sec. 401 (a) of the MSAAct of 1958. The former proviso read as follows: "*Provided*, That any such committee of the Congress which uses local currency shall make a full report thereof to the Committee on House Administration of the House of Representatives (if the committee using such currency is a committee of the House of Representatives) or to the Committee on Appropriations of the Senate (if the committee using such currency is a committee of the Senate or a joint committee of the Congress), showing the total amount of such currency so used in each country and the purposes for which it was expended."

<sup>233</sup> 22 U. S. C. § 1755.

<sup>234</sup> Sec. 9 (a) (1) of the MSAAct of 1957 struck out the subsection designation "(a)" and in the last sentence of the section substituted the word "section" for "subsection".

(1) is no longer consistent with the national interest or security or the foreign policy of the United States; or

(2) would no longer contribute effectively to the purposes for which such assistance is furnished; or

(3) is no longer consistent with the obligations and responsibilities of the United States under the Charter of the United Nations,

he shall terminate all or part of any assistance furnished pursuant to this Act. If the President determines that any nation which is receiving assistance under chapter I<sup>235</sup> of this Act is not making its full contribution to its own defense or to the defense of the area of which it is a part, he shall terminate all or part of such assistance. Assistance to any nation under any provision of this Act may, unless sooner terminated by the President, be terminated by concurrent resolution. Funds made available under this Act shall remain available for twelve months from the date of termination under this section<sup>234</sup> for the necessary expenses of liquidating assistance programs.<sup>236</sup>

SEC. 504.<sup>237</sup> SMALL BUSINESS.—(a) Insofar as practicable and to the maximum extent consistent with the accomplishment of the purposes of this Act, the President shall assist American small business to participate equitably in the furnishing of commodities and services financed with funds authorized under chapter II<sup>238</sup> of this Act—

(1) by causing to be made available to suppliers in the United States and particularly to small independent enterprises, information, as far in advance as possible, with respect to purchases proposed to be financed with such funds,

(2) by causing to be made available to prospective purchasers in the nations receiving assistance under this Act information as to commodities and services produced by small independent enterprises in the United States, and

(3) by providing for additional services to give small business better opportunities to participate in the furnishing of commodities and services financed with such funds.

(b) There shall be an Office of Small Business, headed by a Special Assistant for Small Business, in such United States Government agency as the President may direct,<sup>239</sup> to assist in carrying out the provisions of subsection (a) of this section.

(c) The Secretary of Defense shall assure that there is made available to suppliers in the United States, and particularly to small independent enterprises, information with respect to purchases made by the Department of Defense pursuant to chapter I,<sup>240</sup> such information to be furnished as far in advance as possible.

<sup>235</sup> Sec. 501 (17) of the MSAct of 1958 substituted "chapter I" in lieu of "chapter 1 of title I".

<sup>236</sup> Sec. 9 (a) (2) of the MSAct of 1957 struck out subsection (b). It formerly read as follows: "Unless sooner abolished under section 525, the Foreign Operations Administration shall cease to exist at the close of June 30, 1955."

<sup>237</sup> 22 U. S. C. § 1756.

<sup>238</sup> Sec. 501 (18) (A) of the MSAct of 1958 substituted "chapter II" in lieu of "titles II, III, and IV, and chapter 8 of title I".

<sup>239</sup> Sec. 101 (d) of Executive Order 10575, as amended (page 99), established the Office of Small Business in the Foreign Operations Administration. It was subsequently transferred to the State Department by sec. 102 (d) of Executive Order 10610 (page 108) and was made a "part of or attached to" the International Cooperation Administration by sec. 1 of the Department of State Delegation of Authority 85, as amended (page 111).

<sup>240</sup> Sec. 501 (18) (B) of the MSAct of 1958 substituted "chapter I" in lieu of "chapter 1 of title I".

SEC. 505.<sup>241</sup> LOAN ASSISTANCE AND SALES.—(a) Except as otherwise specifically provided in this Act, assistance<sup>242</sup> under this Act may be furnished on a grant basis or on such terms, including cash, credit, or other terms of repayment (including repayment in foreign currencies or by transfer to the United States of materials required for stockpiling or other purposes) as may be determined to be best suited to the achievement of the purposes of this Act<sup>243</sup> and shall emphasize loans rather than grants wherever possible. Whenever commodities,<sup>244</sup> equipment, materials, or services are sold for foreign currencies the President, notwithstanding section 1415 of the Supplemental Appropriation Act, 1953,<sup>245</sup> or any other provision of law, may use or enter into arrangements with friendly nations or organizations of nations to use such currencies for the purposes for which the funds providing the commodities,<sup>244</sup> equipment, materials, or services which generated the currencies were appropriated.<sup>246</sup>

(b) <sup>247</sup> Funds for the purpose of furnishing assistance on terms of repayment may<sup>247</sup> be allocated to the Export-Import Bank of Washington, which may<sup>247</sup> notwithstanding the provisions of the Export-Import Bank Act of 1945 (59 Stat. 526), as amended,<sup>248</sup> make and administer the credit on such terms. Credits made by the Export-Import Bank of Washington with funds so allocated to it shall not be considered in determining whether the Bank has outstanding at any one time loans and guaranties to the extent of the limitation imposed by section 7 of the Export-Import Bank Act of 1945 (59 Stat. 529), as amended. Amounts received in repayment of principal and interest on any loan made under this section shall be held by the Treasury to be used for such purposes, including further loans, as may be authorized from time to time by Congress. Amounts received in repayment of principal and interest on any credits made under paragraph 111 (c) (2) of the Economic Cooperation Act of 1948, as amended,<sup>249</sup> shall be deposited into miscellaneous receipts of the Treasury, except that, to the extent required for such purpose, amounts received in repayment of principal and interest on any credits made out of funds realized from the sale of notes heretofore authorized to be issued for the purpose of financing assistance on a credit basis under paragraph 111 (c) (2) of the Economic Cooperation Act of 1948, as amended, shall be deposited into the Treasury for the purpose of the retirement of such notes.

<sup>241</sup> 22 U. S. C. § 1757. The words "and sales" in the heading were added by sec. 9 (c) (1) of the MSAct of 1955. See also sec. 102 of this Act.

<sup>242</sup> Sec. 9 (c) (1) of the MSAct of 1957 substituted the words "Except as otherwise specifically provided in this Act, assistance" for "Assistance", the first word in the sentence.

<sup>243</sup> See sec. 516 of this Act.

<sup>244</sup> Sec. 9 (c) (1) of the MSAct of 1957 inserted the words "equipment, materials," after the word "commodities".

<sup>245</sup> For text, see page 74.

<sup>246</sup> The words in the first sentence commencing with "and shall emphasize loans," and the second sentence, were added by sec. 9 (c) of the MSAct of 1955. With reference to the second sentence, see also sec. 402 of this Act.

<sup>247</sup> Sec. 9 (c) (2) of the MSAct of 1957 struck out the first sentence of subsec. (b), which formerly read: "Of the funds made available pursuant to this Act and foreign currencies accruing to the United States under section 402, the equivalent of not less than \$200,000,000 shall be available only for the furnishing of assistance on terms of repayment." Sec. 9 (c) also substituted the word "may" for the word "shall" in the first sentence of sec. 505 (b), which formerly read as follows: "Funds for the purpose of furnishing assistance on terms of repayment shall be allocated to the Export-Import Bank of Washington, which shall, notwithstanding the provisions of the Export-Import Bank Act of 1945 (59 Stat. 526), as amended, make and administer the credit on such terms." See sec. 205 (c) of this Act.

<sup>248</sup> 12 U. S. C. § 635-635 (1).

<sup>249</sup> Repealed Aug. 26, 1954, by sec. 542 of this Act.

SEC. 506.<sup>250</sup> PATENTS AND TECHNICAL INFORMATION.—(a) As used in this section—

(1) the term "invention" means an invention or discovery covered by a patent issued by the United States; and

(2) the term "information" means information originated by or peculiarly within the knowledge of the owner thereof and those in privity with him, which is not available to the public and is subject to protection as property under recognized legal principles.

(b) Whenever, in connection with the furnishing of any assistance in furtherance of the purposes of this Act—

(1) use within the United States, without authorization by the owner, shall be made of an invention; or

(2) damage to the owner shall result from the disclosure of information by reason of acts of the United States or its officers or employees,

the exclusive remedy of the owner of such invention or information shall be by suit against the United States in the Court of Claims or in the District Court of the United States for the district in which such owner is a resident for reasonable and entire compensation for unauthorized use or disclosure. In any such suit the United States may avail itself of any and all defenses, general or special, that might be pleaded by any defendant in a like action.

(c) Before such suit against the United States has been instituted, the head of the appropriate United States Government agency, which has furnished any assistance in furtherance of the purposes of this Act, is authorized and empowered to enter into an agreement with the claimant, in full settlement and compromise of any claim against the United States hereunder.

(d) The provisions of the last sentence of section 1498 of title 28 of the United States Code shall apply to inventions and information covered by this section.

(e) Except as otherwise provided by law, no recovery shall be had for any infringement of a patent committed more than six years prior to the filing of the complaint or counterclaim for infringement in the action, except that the period between the date of receipt by the Government of a written claim under subsection (c) above for compensation for infringement of a patent and the date of mailing by the Government of a notice to the claimant that his claim has been denied shall not be counted as part of the six years, unless suit is brought before the last-mentioned date.

SEC. 507.<sup>251</sup> AVAILABILITY OF FUNDS.—Except as otherwise provided in this Act, funds shall be available to carry out the provisions of this Act (other than sections 414 and 416) as authorized and appropriated to the President each fiscal year.<sup>252</sup>

<sup>250</sup> 22 U. S. C. § 1758.

<sup>251</sup> 22 U. S. C. § 1759. This section was amended by sec. 9 (c) of the MSAct of 1956. It formerly read as follows: "Except as otherwise provided in section 104 (pertaining to infrastructure), 405 (pertaining to movement of migrants), 408 (a) (pertaining to North Atlantic Treaty Organization), and 412 (pertaining to Chinese and Korean students), funds shall be available to carry out the provisions of this Act (other than sections 414 and 416) as authorized and appropriated to the President each fiscal year."

<sup>252</sup> See also sec. 104 of the Mutual Security Appropriation Act, 1959: "Except for the appropriations entitled 'President's special authority and contingency fund' and 'Development loan fund', not more than 20 per centum of any appropriation item made available by this Act shall be obligated and/or reserved during the last month of availability."

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40 LEGISLATION ON FOREIGN RELATIONS

SEC. 508.<sup>253</sup> LIMITATION ON FUNDS FOR PROPAGANDA.<sup>254</sup>—None of the funds herein authorized to be appropriated nor any counterpart funds shall be used to pay for personal services or printing, or for other expenses of the dissemination within the United States of general propaganda in support of the mutual security program, or to pay the travel or other expenses outside the United States of any citizen or group of citizens of the United States for the purpose of publicizing such program within the United States.

SEC. 509.<sup>255</sup> SHIPPING ON UNITED STATES VESSELS.<sup>256</sup>—The ocean transportation between foreign countries of commodities, materials, and equipment procured out of local currency funds made available or derived from funds made available under this Act or the Agricultural Trade Development and Assistance Act of 1954, as amended (7 USC 1691 and the following),<sup>257</sup> shall not be governed by the provisions of section 901 (b) of the Merchant Marine Act of 1936,<sup>258</sup> or any other law relating to the ocean transportation of commodities, materials, and equipment on United States flag vessels.<sup>259</sup> Sales of fresh fruit and the products thereof under this Act shall be exempt from the requirements of the cargo preference laws (Public Resolution 17, Seventy-third Congress, and section 901 (b) of the Merchant Marine Act, 1936, as amended).<sup>260</sup>

SEC. 510.<sup>261</sup> PURCHASE OF COMMODITIES.—No funds made available under<sup>262</sup> title I of chapter II<sup>263</sup> of this Act shall be used for the purchase in bulk of any commodities at prices higher than the market price prevailing in the United States at the time of purchase adjusted for differences in the cost of transportation to destination, quality, and terms of payment.<sup>264</sup> A bulk purchase within the meaning of this section does not include the purchase of raw cotton in bales. Funds made available under title I or II of chapter II<sup>265</sup> of this Act may be used for the procurement of commodities outside the United States unless the President determines that such procurement will result in adverse effects upon the economy of the United States, with special reference to any areas of labor surplus, or upon the industrial mobilization base, which outweigh the economic advantages to the United

<sup>253</sup> 22 U. S. C. § 1760.

<sup>254</sup> See also sec. 102 of the Mutual Security Appropriation Act, 1959.

<sup>255</sup> 22 U. S. C. § 1761.

<sup>256</sup> Sec. 9 (d) of the MSAAct of 1957 struck out the first sentence of this section. It formerly read as follows: "Such steps as may be necessary shall be taken to assure, as far as practicable, that at least 50 per centum of the gross tonnage of commodities, materials and equipment procured out of funds made available under sections 103, 123, 131, 132 (a), 201, 304, and 403 of this Act and transported to or from the United States on ocean vessels, computed separately for dry bulk carriers, dry cargo liner and tanker services and computed separately for section 103, and for sections 123, 131, 132 (a), 201, 304, and 403 (taken together) is so transported on United States flag commercial vessels to the extent such vessels are available at market rates are fair and reasonable; and, in the administration of this provision, steps shall be taken, insofar as practicable and consistent with the purposes of this Act, to secure fair and reasonable participation by United States flag commercial vessels in cargoes by geographic area."

<sup>257</sup> For text, see page 155.

<sup>258</sup> For text, see page 263.

<sup>259</sup> This sentence was added by sec. 9 (d) of the MSAAct of 1955. The reference to the Agricultural Trade Development and Assistance Act of 1954, as amended, was added by sec. 4 (d) of the MSAAct of 1956.

<sup>260</sup> This sentence was added by sec. 401 (b) of the MSAAct of 1958.

<sup>261</sup> 22 U. S. C. § 1762.

<sup>262</sup> The words "title II or", which followed the word "under", were struck out by sec. 401 (e) of the MSAAct of 1958.

<sup>263</sup> Sec. 501 (19) (A) of the MSAAct of 1958 substituted "title I of chapter II" in lieu of "chapter 3 of title I".

<sup>264</sup> See also "Subpart D—Price Provisions" of ICA Regulation 1, as amended November, 1957.

<sup>265</sup> Sec. 501 (19) (B) of the MSAAct of 1958 substituted "title I or II of chapter II" in lieu of "title II or chapter 3 of title I".

States of less costly procurement abroad. In providing for the procurement of any surplus agricultural commodity for transfer by grant under this Act to any recipient nation in accordance with the requirements of such nation, the President shall, insofar as practicable and where in furtherance of the purposes of this Act, authorize the procurement of such surplus agricultural commodity only within the United States except to the extent that any such surplus agricultural commodity is not available in the United States in sufficient quantities to supply the requirements of the nations receiving assistance under this Act.<sup>266</sup>

SEC. 511.<sup>267</sup> RETENTION AND RETURN OF EQUIPMENT.—(a) No equipment or materials may be transferred under chapter I or title I of chapter II<sup>268</sup> out of military stocks if the Secretary of Defense, after consultation with the Joint Chiefs of Staff, determines that such transfer would be detrimental to the national security of the United States, or that such equipment or materials are needed by the reserve components of the Armed Forces to meet their training requirements.

(b) Any equipment, materials, or commodities procured to carry out this Act shall be retained by, or, upon reimbursement, transferred to and for the use of, such United States Government agency as the President may determine in lieu of being disposed of to a foreign nation or international organization whenever in the judgment of the President the best interests of the United States will be served thereby, or whenever such retention is called for by concurrent resolution. Any commodities so retained may be disposed of without regard to provisions of law relating to the disposal of Government-owned property, when necessary to prevent spoilage or wastage of such commodities or to conserve the usefulness thereof. Funds realized from any such disposal or transfer shall revert to the respective appropriation or appropriations out of which funds were expended for the procurement of such equipment, materials, or commodities or to appropriations currently available for such procurement.<sup>269</sup>

(c) The President shall make appropriate arrangements with each nation receiving equipment or materials on a grant basis<sup>270</sup> under chapter I<sup>270</sup> for the return to the United States (1) for salvage or scrap, or (2) for such other disposition as the President shall deem to be in the interest of mutual security, of any such equipment or materials which are no longer required for the purposes for which originally made available.

SEC. 512.<sup>271</sup> PENAL PROVISION.—Whoever offers or gives to anyone who is or in the preceding two years has been an employee or officer of the United States any commission, payment, or gift, in connection with the procurement of equipment, materials, commodities, or services

<sup>266</sup> See also sec. 402 of this Act and accompanying footnotes.

<sup>267</sup> 22 U. S. C. § 1763.

<sup>268</sup> Sec. 501 (20) of the MSAAct of 1958 substituted "chapter I or title I of chapter II" in lieu of "title I".

<sup>269</sup> See also sec. 108 of the Mutual Security Appropriation Act, 1956, as amended, which reads, in part, as follows: "\* \* \* *Provided further*, That in the event the President shall determine that supplies and equipment ordered against funds so allocated are required for the defense of the United States, the amount allocated for supplies and materials required for such purpose shall be returned to the appropriation from which allocated: \* \* \*" (pages 70-71).

<sup>270</sup> Sec. 9 (e) of the MSAAct of 1957 added the words "on a grant basis", and also deleted the parenthetical statement "(other than equipment or materials sold under the provisions of section 106)" which appeared between the words "title I" and "for the return" in the first sentence. Sec. 501 (21) of the MSAAct of 1958 substituted "chapter I" in lieu of "chapter 1 of title I".

<sup>271</sup> 22 U. S. C. § 1764.

under this Act in connection with which procurement said officer, employee, former officer or former employee is or was employed or performed duty or took any action during such employment, and whoever, being or having been an employee or officer of the United States in the preceding two years, solicits, accepts, or offers to accept any commission, payment, or gift in connection with the procurement of equipment, materials, commodities, or services under this Act in connection with which procurement said officer, employee, former officer or former employee is or was employed or performed duty or took any action during such employment, shall upon conviction thereof be subject to a fine not to exceed \$10,000 or imprisonment for not to exceed three years, or both: *Provided*, That this section shall not apply to persons appointed pursuant to sections 308 or 530 (a) of this Act.

SEC. 513.<sup>272</sup> NOTICE TO LEGISLATIVE COMMITTEES.—When any transfer is made under section 501, or any other action is taken under this Act which will result in furnishing assistance of a kind, for a purpose, or to an area, substantially different from that included in the presentation to the Congress during its consideration of this Act or Acts appropriating funds pursuant to authorizations contained in this Act or which will result in expenditures greater by 50 per centum or more than the proposed expenditures included in such presentation for the program concerned, the President or such officer as he may designate shall promptly notify the Committee on Foreign Relations and, when military assistance is involved, the Committee on Armed Services of the Senate, and the Speaker of the House of Representatives, stating the justification for such changes. Notice shall also be given to the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives of any determination under the first sentence of section 451<sup>273</sup> (except with respect to unvouchedered funds), and copies of any certification as to loyalty under section 531 shall be filed with them.<sup>274</sup>

SEC. 514.<sup>275</sup> INTERNATIONAL EDUCATIONAL EXCHANGE ACTIVITIES.—Foreign currencies or credits owed to or owned by the United States, where arising from this Act or otherwise, shall, upon a request from the Secretary of State certifying that such funds are required for the purpose of international educational exchange activities under programs authorized by section 32 (b) (2) of the Surplus Property Act of 1944, as amended,<sup>276</sup> be reserved by the Secretary of the Treasury

<sup>272</sup> 22 U. S. C. § 1765. Sec. 9 (f) of the MSAAct of 1957 substituted new language for sec. 513. It formerly read as follows:

"When any transfer is made under section 501, or any other action is taken under this Act which will result in furnishing assistance of a kind, for a purpose, or to an area, substantially different from that included in the presentation to the Congress during its consideration of this Act, or which will result in expenditures greater by 50 per centum or more than the proposed expenditures included in such presentation for the program concerned, the President or such officer as he may designate shall promptly notify the Committee on Foreign Relations of the Senate, the Committee on Foreign Affairs of the House of Representatives, and when military assistance is involved, the Committees on Armed Services of the Senate and House of Representatives, stating the justification for such change. Notice shall also be given to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives of any determination under the first sentence of section 401 (except with respect to unvouchedered funds), and copies of any certification as to loyalty under section 531 shall be filed with such committees."

<sup>273</sup> Sec. 501 (22) of the MSAAct of 1958 substituted "451" in lieu of "401".

<sup>274</sup> For other sections dealing with congressional notification see secs. 101, 143, 144, 202 (b), 502 (b), 531, and 534 of this Act, and secs. 103, 105, and 108 of the Mutual Security Appropriation Act, 1969.

<sup>275</sup> 22 U. S. C. § 1766.

<sup>276</sup> 50 U. S. C. App. § 1641.

for sale to the Department of State for such activities on the basis of the dollar value at the time of the reservation.

**SEC. 515.<sup>277</sup> AUTHORIZATION FOR GRANT OF CONTRACT AUTHORITY.**—Provisions in this Act authorizing the appropriation of funds shall be construed to authorize the granting in any appropriation Act of authority to enter into contracts, within the amounts so authorized to be appropriated, creating obligations in advance of appropriations.

**SEC. 516.<sup>278</sup> PROHIBITION AGAINST DEBT RETIREMENT.**—None of the funds made available under this Act nor any of the counterpart funds generated as a result of assistance under this Act or any other Act shall be used to make payments on account of the principal or interest on any debt of any foreign government or on any loan made to such government by any other foreign government; nor shall any of these funds be expended for any purpose for which funds have been withdrawn by any recipient country to make payment on such debts: *Provided*, That to the extent that funds have been borrowed by any foreign government in order to make a deposit of counterpart and such deposit is in excess of the amount that would be required to be deposited pursuant to the formula prescribed by section 142 (b) of this Act, such counterpart may be used in such country for any agreed purpose consistent with the provisions of this Act.

**SEC. 517.<sup>279</sup> COMPLETION OF PLANS AND COST ESTIMATES.**—After June 30, 1958, no agreement or grant which constitutes an obligation of the United States in excess of \$100,000 under section 1311 of the Supplemental Appropriation Act, 1955, shall be made for any assistance authorized under title I or III (except section 306) of chapter II, or section 400 (a)—

(1) if such agreement or grant requires substantive technical or financial planning, until engineering, financial, and other plans necessary to carry out such assistance, and a reasonably firm estimate of the cost to the United States of providing such assistance, have been completed; and

(2) if such agreement or grant requires legislative action within the recipient country, unless such legislative action may reasonably be anticipated to be completed within one year from the date the agreement or grant is made.

This section shall not apply to any assistance furnished for the sole purpose of preparation of engineering, financial, and other plans.

**SEC. 521.<sup>280</sup> DELEGATION OF AUTHORITY BY THE PRESIDENT.**—(a) Except as provided in subsection (b) and section 413 (b) (4)<sup>280</sup>, the President may exercise any power or authority conferred on him by this Act through such agency or officer of the United States as he shall direct, and the head of such agency or such officer may from time to time promulgate such rules and regulations as may be necessary and proper to carry out functions under this Act and may delegate authority to perform any of such functions to his subordinates acting under his direction.<sup>281</sup>

<sup>277</sup> 22 U. S. C. § 1796a. This section was added by sec. 9 (d) of the MSAAct of 1956.

<sup>278</sup> Secs. 516 (22 U. S. C. § 1966 (b)) and 517 (22 U. S. C. § 1966 (c)) were added by sec. 401 (c) of the MSAAct of 1958. Sec. 516 is drawn from sec. 105 of the Mutual Security Appropriation Act, 1958, and similar provisions in preceding appropriation acts.

<sup>279</sup> 22 U. S. C. § 1781.

<sup>280</sup> The words "and section 413 (b) (4)" were added by sec. 9 (e) of the MSAAct of 1956.

<sup>281</sup> See Executive Order 10575, as amended (page 98), and the accompanying Presidential letter; also Presidential letter to Secretary of State of April 15, 1955; Executive Order 10610 (page 106); and State Department Delegation of Authority 85, as amended (page 111).

(b) After June 30, 1955, the President shall exercise the powers conferred upon him under title III of chapter II<sup>282</sup> of this Act through the Secretary of State.<sup>283</sup>

(c)<sup>284</sup> The President shall continue to exercise the powers conferred on him under title I of chapter II,<sup>285</sup> relating to defense support, only through the Secretary of State and his subordinates.<sup>286</sup>

SEC. 522.<sup>287</sup> ALLOCATION AND REIMBURSEMENT AMONG AGENCIES.—

(a) The President may allocate or transfer to any United States Government agency any part of any funds available for carrying out the purposes of this Act, including any advance to the United States by any nation or international organization for the procurement of equipment or materials or services. Such funds shall be available for obligation and expenditure for the purposes for which authorized, in accordance with authority granted in this Act or under authority governing the activities of the Government agencies to which such funds are allocated or transferred. Funds allocated to the Department of Defense shall be governed as to reimbursement by the procedures of subsection (c) of this section.

(b) Any officer of the United States performing functions under this Act may utilize the services and facilities of, or procure commodities from, any United States Government agency as the President shall direct, or with the consent of the head of such agency, and funds allocated pursuant to this subsection to any such agency may be established in separate appropriation accounts on the books of the Treasury. The Administrator of General Services is authorized to maintain in a separate consolidated account, which shall be free from fiscal year limitations, payments received by the General Services Administration for administrative surcharges in connection with procurement services performed by the General Services Administration in furtherance of the purposes of this Act. Such payments shall be in amounts mutually acceptable to the General Services Administration and the United States Government agency which finances the procurement, and these amounts shall be available for administrative expenses incurred by the General Services Administration in performing such procurement services.<sup>288</sup>

(c) Reimbursement shall be made to any United States Government agency, from funds available to carry out chapter I<sup>289</sup> of this Act, for any assistance furnished under that chapter from, by, or through such agency. Such reimbursement shall be in an amount equal to the value (as defined in section 545) of the equipment and materials, services (other than salaries of members of the Armed Forces of the United States), or other assistance furnished, plus expenses arising from or incident to operations under that chapter. The amount of any such reimbursement shall be credited as reimbursable receipts to

<sup>282</sup> Sec. 501 (24) of the MSAct of 1958 inserted the words "of chapter II".  
<sup>283</sup> See Executive Order 10610 (page 106) and State Department Delegation of Authority 85, as amended (page 111).

<sup>284</sup> Subsection "(c)" was added by sec. 10 (a) of the MSAct of 1957.

<sup>285</sup> Sec. 501 (25) of the MSAct of 1958 substituted "title I of chapter II" in lieu of "chapter 3 of title I".

<sup>286</sup> See Executive Order 10610 (page 106) and State Department Delegation of Authority 85, as amended (page 111).

<sup>287</sup> 22 U. S. C. § 1782.

<sup>288</sup> The portion of this subsection beginning with "the Administrator of General Services \* \* \*" was added by sec. 10 (b) (2) of the MSAct of 1956.

<sup>289</sup> Sec. 501 (26) of the MSAct of 1958 substituted "chapter I" in lieu of "chapter 1 of title I".

current applicable appropriations, funds, or accounts of such agency and shall be available for, and under the authority applicable to, the purposes for which such appropriations, funds, or accounts are authorized to be used, including the procurement of equipment and materials or services, required by such agency, in the same general category as those furnished by it or authorized to be procured by it and expenses arising from and incident to such procurement.<sup>200</sup>

(d) In the case of any commodity, service, or facility procured from any United States Government agency under any provision of this Act other than chapter I,<sup>201</sup> reimbursement or payment shall be made to such agency from funds available to carry out such provision. Such reimbursement or payment shall be at replacement cost, or, if required by law, at actual cost, or at any other price authorized by law and agreed to by the owning or disposal agency. The amount of any such reimbursement or payment shall be credited to current applicable appropriations, funds, or accounts from which there may be procured replacements of similar commodities, services, or facilities, except that where such appropriations, funds, or accounts are not reimbursable except by reason of this subsection, and when the owing agency determines that such replacement is not necessary, any funds received in payment therefor shall be covered into the Treasury as miscellaneous receipts.

(e) In furnishing assistance under this Act and in making surplus agricultural commodities available under section 402 accounts may be established on the books of any United States Government agency, or, on terms and conditions approved by the Secretary of the Treasury, in banking institutions in the United States, against which (i) letters of commitment may be issued which shall constitute obligations of the United States, and moneys due or to become due under such letters of commitment shall be assignable under the Assignment of Claims Act of 1940, as amended, and (ii) withdrawals may be made by recipient nations or agencies, organizations or persons upon presentation of contracts, invoices, or other appropriate documentation. Expenditure of funds which have been made available through accounts so established shall be accounted for on standard documentation required for expenditure of Government funds: *Provided*, That such expenditures for commodities or services procured outside the continental limits of the United States may be accounted for exclusively on such certification as may be prescribed in regulations approved by the Comptroller General of the United States.<sup>202</sup>

(f)<sup>203</sup> Any appropriation made to carry out the provisions of this Act may initially be charged, within the limits of available funds, to finance expenses for which funds are available in other appropriations made under this Act: *Provided*, That as of the end of the same fiscal year such expenses shall be finally charged to applicable appropriations with proper credit to the appropriations initially utilized for financing purposes.

<sup>200</sup> See also sec. 108 of the Mutual Security Appropriation Act, 1956, as amended (pages 70-71).

<sup>201</sup> Sec. 501 (26) of the MSAAct of 1958 substituted "chapter I" in lieu of "chapter 1 of title I".

<sup>202</sup> See ICA Regulation 1, as amended November, 1957, for rules pertaining to documentation.

<sup>203</sup> This subsection was added by sec. 10 (b) (2) of the MSAAct of 1956.

SEC. 523.<sup>294</sup> COORDINATION WITH FOREIGN POLICY.—(a) Nothing contained in this Act shall be construed to infringe upon the powers or functions of the Secretary of State.

(b) The President shall prescribe appropriate procedures to assure coordination among representatives of the United States Government in each country, under the leadership of the Chief of the United States Diplomatic Mission.<sup>295</sup>

(c)<sup>296</sup> Under the direction of the President, the Secretary of State shall:

- (1) coordinate the various forms of assistance authorized by this Act so that the foreign policy of the United States may be best served thereby; and
- (2) determine the value of the program under chapter I<sup>297</sup> for any country.

SEC. 524.<sup>298</sup> THE SECRETARY OF DEFENSE.—(a) In the case of aid under chapter I<sup>299</sup> of this Act, the Secretary of Defense shall have primary responsibility for—

- (1) the determination of military end-item requirements;
- (2) the procurement of military equipment in a manner which permits its integration with service programs;
- (3) the supervision of end-item use by the recipient countries;<sup>300</sup>
- (4) the supervision of the training of foreign military personnel;
- (5) the movement and delivery of military end-items; and
- (6) within the Department of Defense, the performance of any other functions with respect to the furnishing of military assistance.

(b) The establishment of priorities in the procurement, delivery, and allocation of military equipment shall be determined by the Secretary of Defense.<sup>301</sup>

SEC. 525.<sup>302</sup> FOREIGN OPERATIONS ADMINISTRATION.<sup>303</sup>—The President may transfer to any agency or officer of the United States, and may modify or abolish, any function, office, or entity of the Foreign Operations Administration (including any function, office or entity thereof transferred to any other agency)<sup>304</sup> or any officer or employee thereof, and may transfer such personnel, property, records, and funds as may be necessary incident thereto:<sup>305</sup> *Provided*, That such authority conferred by this sentence shall be exercised in accordance with appli-

<sup>294</sup> 22 U. S. C. § 1783.

<sup>295</sup> See part II of Executive Order 10575, as amended (page 103).

<sup>296</sup> This subsection added by sec. 10 (b) of the MSAAct of 1957.

<sup>297</sup> Sec. 501 (27) of the MSAAct of 1958 substituted "chapter I" in lieu of "chapter 1 of title I".

<sup>298</sup> 22 U. S. C. § 1784.

<sup>299</sup> Sec. 501 (28) of the MSAAct of 1958 substituted "chapter I" in lieu of "chapter 1 of title I".

<sup>300</sup> The words "end-item use" were substituted for "end-items used" by sec. 10 (a) of the MSAAct of 1955.

<sup>301</sup> Sec. 10 (c) of the MSAAct of 1957 struck out the second sentence of this subsection. It formerly read as follows: "The determination of the value of the program for any country under chapter 1 of title I shall be made by the President."

<sup>302</sup> 22 U. S. C. § 1785.

<sup>303</sup> The first sentence of this section was struck out by sec. 10 (d) of the MSAAct of 1957. It read as follows: "Except as modified pursuant to this section or section 521, the Director of the Foreign Operations Administration (referred to in this chapter as the 'Director') shall continue to perform the functions vested in him on the effective date of this Act, except insofar as such functions relate to continuous supervision and general direction of programs of military assistance."

<sup>304</sup> The material in parentheses was added by sec. 10 (b) of the MSAAct of 1955.

<sup>305</sup> See sec. 521 of this Act.

cable laws and regulations relating to the Civil Service and Veterans' Preference.<sup>306</sup>

SEC. 526.<sup>307</sup> MISSIONS AND STAFFS ABROAD.—The President may maintain special missions or staffs abroad in such nations and for such periods of time as may be necessary to carry out this Act. Such special mission or staff shall be under the direction of a chief. The chief and his deputy shall be appointed by the President and may, notwithstanding any other law, be removed by the President at his discretion. The chief shall be entitled to receive (1) in cases approved by the President, the same compensation and allowances as a chief of mission, class 3, or a chief of mission, class 4, within the meaning of the Foreign Service Act of 1946 (22 U. S. C. 801),<sup>308</sup> or (2) compensation and allowances in accordance with section 527 (c) of this Act, as the President shall determine to be appropriate. If a Foreign Service Officer shall be appointed by the President to a position under this section, the period of his service in such capacity shall be considered as constituting an assignment for duty within the meaning of section 571 of the Foreign Service Act of 1946, as amended,<sup>309</sup> and such person shall not, by virtue of his acceptance of such an assignment, lose his status as a Foreign Service Officer.<sup>310</sup>

SEC. 527.<sup>311</sup> EMPLOYMENT OF PERSONNEL.—(a) Any United States Government agency performing functions under this Act is authorized to employ such personnel as the President deems necessary to carry out the provisions and purposes of this Act.<sup>312</sup>

(b) Of the personnel employed in the United States on programs authorized by this Act, not to exceed sixty may be compensated without regard to the provisions of the Classification Act of 1949, as amended,<sup>313</sup> of whom not to exceed thirty-five may be compensated at rates higher than those provided for grade 15 of the general schedule established by the Classification Act of 1949, as amended, and of these, not to exceed fifteen may be compensated at a rate in excess of the highest rate provided for grades of such general schedule but not in excess of \$19,000<sup>314</sup> per annum. Such positions shall be in addition to those authorized by law to be filled by Presidential appointment, and in addition to the number authorized by section 505 of the Classification Act of 1949, as amended.<sup>315</sup>

(c) For the purpose of performing functions under this Act outside the continental limits of the United States, the Director may—

(1) employ or assign persons, or authorize the employment or assignment of officers or employees of other United States Government agencies, who shall receive compensation at any of the rates provided for the Foreign Service Reserve and Staff by the Foreign Service Act of 1946, as amended (22 U. S. C. 801),<sup>316</sup> together with allowances and benefits established thereunder including, in all cases, post differentials prescribed under

<sup>306</sup> The proviso was added by sec. 10 (b) of the MSAAct of 1955.

<sup>307</sup> 22 U. S. C. § 1786.

<sup>308</sup> For text, see page 171.

<sup>309</sup> For text, see pages 187-189.

<sup>310</sup> This sentence was added by sec. 10 (c) of the MSAAct of 1955.

<sup>311</sup> 22 U. S. C. § 1787.

<sup>312</sup> See also sec. 521 of this Act.

<sup>313</sup> 5 U. S. C. § 1071 note.

<sup>314</sup> Amended by sec. 113 of the Federal Executive Pay Act of 1956, 22 U. S. C. § 1787, which struck out "\$15,000 per annum" and inserted "\$19,000 per annum".

<sup>315</sup> 5 U. S. C. § 1105.

<sup>316</sup> See secs. 414 and 415 of the Foreign Service Act (pages 176-177) and accompanying footnotes.

section 443 of the Foreign Service Act;<sup>317</sup> and persons so employed or assigned shall be entitled, except to the extent that the President may specify otherwise in cases in which the period of the employment or assignment exceeds thirty months,<sup>318</sup> to the same benefits as are provided by section 528 of the Foreign Service Act<sup>319</sup> for persons appointed to the Foreign Service Reserve and, except for policy-making officials, the provisions of section 1005 of the Foreign Service Act<sup>320</sup> shall apply in the case of such persons; and

(2) utilize such authority, including authority to appoint and assign personnel for the duration of operations under this Act, contained in the Foreign Service Act of 1946, as amended (22 U. S. C. 801),<sup>321</sup> as the President deems necessary to carry out functions under this Act.<sup>322</sup> Such provisions of the Foreign Service Act as the President deems appropriate shall apply to personnel appointed or assigned under this paragraph, including, in all cases, the provisions of sections 443 and 528 of that Act:<sup>323</sup> *Provided, however,* That the President may by regulation make exceptions to the application of section 528 in cases in which the period of the appointment or assignment exceeds thirty months.<sup>324</sup>

(d) For the purpose of performing functions under this Act outside the continental limits of the United States, the Secretary of State may, at the request of the Director, appoint for the duration of operations under this Act alien clerks and employees<sup>325</sup> in accordance with applicable provisions of the Foreign Service Act of 1946, as amended (22 U. S. C. 801).<sup>326</sup>

(e) <sup>327</sup> Notwithstanding the provisions of title 10, United States Code, section 712, or any other law containing similar authority, officers and employees of the United States performing functions under this Act shall not accept from any foreign nation any compensation or other benefits. Arrangements may be made by the President with such nations for reimbursement to the United States or other sharing of the cost of performing such functions.

SEC. 528.<sup>328</sup> DETAIL OF PERSONNEL TO FOREIGN GOVERNMENTS<sup>329</sup>—  
(a) Whenever the President determines it to be consistent with, and in furtherance of the purposes of this Act, the head of any United States Government agency is authorized to detail or assign any officer or employee of his agency to any office or position to which no compensation is attached with any foreign government or foreign govern-

<sup>317</sup> For text, see page 180.  
<sup>318</sup> The words "except to the extent that the President may specify otherwise in cases in which the period of the employment or assignment exceeds thirty months," were inserted by sec. 10 (e) of the MSAct of 1957.

<sup>319</sup> For text, see pages 185-186.

<sup>320</sup> For text, see page 214.

<sup>321</sup> For text, see page 171.

<sup>322</sup> See Executive Orders 10575, as amended (page 98), 10477 (page 133), and 10522 (page 136).

<sup>323</sup> Text on pages 180 and 185-186, respectively.

<sup>324</sup> This proviso was inserted by sec. 10 (e) of the MSAct of 1957.

<sup>325</sup> See also sec. 537 (a)(3) of this Act.

<sup>326</sup> For text, see page 171.

<sup>327</sup> Subsec. (e) was added by sec. 401 (e) of the MSAct of 1958, and becomes effective April 1, 1959. See footnote 11.

<sup>328</sup> 22 U. S. C. § 1788.

<sup>329</sup> See secs. 301-303 of the United States Information and Educational Exchange Act of 1948 (Smith-Mundt Act), 22 U. S. C. §§ 1451-1458; and also sec. 102 of this Act and 10 U. S. C. § 712.

ment agency: *Provided*, That such acceptance of office shall in no case involve the taking of an oath of allegiance to another government.

(b) Any such officer or employee, while so assigned or detailed, shall be considered, for the purpose of preserving his privileges, rights, seniority, or other benefits as such, an officer or employee of the Government of the United States and of the Government agency from which assigned or detailed, and he shall continue to receive compensation, allowances, and benefits from funds available to that agency or made available to that agency out of funds authorized under this Act.

SEC. 529.<sup>330</sup> DETAIL OF PERSONNEL TO INTERNATIONAL ORGANIZATIONS.—(a) Whenever the President determines it to be consistent with and in furtherance of the purposes of this Act, the head of any United States Government agency is authorized to detail, assign, or otherwise make available to any international organization any officer or employee of his agency to serve with or as a member of the international staff of such organization, or to render any technical, scientific or professional advice or service to or in cooperation with such organization.

(b) Any such officer or employee, while so assigned or detailed, shall be considered, for the purpose of preserving his allowances, privileges, rights, seniority and other benefits as such, an officer or employee of the Government of the United States and of the Government agency from which detailed or assigned, and he shall continue to receive compensation, allowances, and benefits from funds available to that agency or made available to that agency out of funds authorized under this Act. He may also receive, under such regulations as the President may prescribe, representation allowances similar to those allowed under section 901 of the Foreign Service Act of 1946, as amended (22 U. S. C. 801).<sup>331</sup> The authorization of such allowances and other benefits and the payment thereof out of any appropriations available therefor shall be considered as meeting all the requirements of section 1765 of the Revised Statutes.<sup>332</sup>

(c) Details or assignments may be made under this section—

(1) without reimbursement to the United States by the international organization;

(2) upon agreement by the international organization to reimburse the United States for compensation, travel expenses, and allowances, or any part thereof payable to such officer or employee during the period of assignment or detail in accordance with subsection (b) of this section; and such reimbursement shall be credited to the appropriation, fund, or account utilized for paying such compensation, travel expenses or allowances, or to the appropriation, fund, or account currently available for such purposes;

(3) upon an advance of funds, property, or services to the United States accepted with the approval of the President for specified uses in furtherance of the purposes of this Act; and funds so advanced may be established as a separate fund in the Treasury of the United States, to be available for the specified uses, and to be used for reimbursement of appropriations or direct expendi-

<sup>330</sup> 22 U. S. C. § 1789.

<sup>331</sup> For text, see pages 206-207.

<sup>332</sup> 5 U. S. C. § 70.

ture subject to the provisions of this Act, any unexpended balance of such account to be returned to the international organization; or

(4) subject to the receipt by the United States of a credit to be applied against the payment by the United States of its share of the expenses of the international organization to which the officer or employee is detailed, such credit to be based upon the compensation, travel expenses and allowances, or any part thereof, payable to such officer or employee during the period of assignment or detail in accordance with subsection (b) of this section.

SEC. 530.<sup>333</sup> EXPERTS AND CONSULTANTS OR ORGANIZATIONS THEREOF.—(a) Experts and consultants or organizations thereof, as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), may be employed by any United States Government agency for the performance of functions under this Act,<sup>334</sup> and individuals so employed may be compensated at rates not in excess of \$75 per diem, and while away from their homes or regular places of business, they may be paid actual travel expenses and per diem in lieu of subsistence and other expenses at a rate not to exceed \$10 or at the applicable rate prescribed in the Standardized Government Travel Regulations, as amended from time to time, whichever is higher,<sup>335</sup> while so employed within the continental limits of the United States and at the applicable rate prescribed in the Standardized Government Travel Regulations (Foreign Areas) while so employed outside the continental limits of the United States: *Provided*, That contracts for such employment with such organizations may be renewed annually.<sup>336</sup>

(b) Persons of outstanding experience and ability may be employed without compensation by any United States Government agency for the performance of functions under this Act in accordance with the provisions of section 710 (b) of the Defense Production Act of 1950, as amended (50 U. S. C. App. 2160), and regulations issued thereunder.

SEC. 531.<sup>337</sup> SECURITY CLEARANCE.—No citizen or resident of the United States may be employed, or if already employed, may be assigned to duties by the Director under this Act for a period to exceed three months unless—

(a) such individual has been investigated as to loyalty and security by the Civil Service Commission, or by the Federal Bureau of Investigation in the case of specific positions which have been certified by the Director as being of a high degree of importance or sensitivity or in case the Civil Service Commission investigation develops data reflecting that the individual is of questionable loyalty, and a report thereon has been made to the Director, and until the Director has certified in writing (and filed copies thereof with the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs) that, after full consideration of such report, he believes such individual is loyal to the United States, its Constitution, and form of government, and is not now and has never knowingly been a member of any organization advocating contrary views; or

<sup>333</sup> 22 U. S. C. § 1790.

<sup>334</sup> See also sec. 532 (a) of this Act.

<sup>335</sup> The following words were added by sec. 10 (d) of the MSA of 1955: "or at the applicable rate prescribed in the Standardized Government Regulations, as amended from time to time, whichever is higher."

<sup>336</sup> This proviso was added by sec. 10 (c) of the MSA of 1956.

<sup>337</sup> 22 U. S. C. § 1791.

(b) such individual has been investigated by a military intelligence agency and the Secretary of Defense has certified in writing that he believes such individual is loyal to the United States and filed copies thereof with the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs.

This section shall not apply in the case of any officer appointed by the President by and with the advice and consent of the Senate, nor shall it apply in the case of any person already employed under programs covered by this Act who has been previously investigated in connection with such employment.

SEC. 532.<sup>338</sup> EXEMPTION OF PERSONNEL FROM CERTAIN FEDERAL LAWS.—(a) Service of an individual as a member of the Board established pursuant to section 308 of this Act or as an expert or consultant under section 530 (a) shall not be considered as service or employment bringing such individual within the provisions of title 18, U. S. C., section 281, 283 or 284, or of section 190 of the Revised Statutes (5 U. S. C. 99), or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States, except insofar as such provisions of law may prohibit any such individual from receiving compensation in respect of any particular matter in which such individual was directly involved in the performance of such service; nor shall such service be considered as employment or holding of office or position bringing such individual within the provisions of section 6 of the Act of May 22, 1920, as amended (5 U. S. C. 715), section 212 of the Act of June 30, 1932, as amended (5 U. S. C. 59a), or any other Federal law limiting the reemployment of retired officers or employees or governing the simultaneous receipt of compensation and retired pay or annuities. Contracts for the employment of retired military personnel with specialized research and development experience, not to exceed ten in number, as experts or consultants under section 530 (a), may be renewed annually, notwithstanding section 15 of the Act of August 2, 1946 (5 U. S. C. 55a).<sup>339</sup>

(b) Notwithstanding section 2 of the Act of July 31, 1894 (5 U. S. C. 62), which prohibits certain retired officers from holding certain office, any retired officer of any of the services mentioned in the Career Compensation Act of 1949 may hold any office or appointment under this Act or the Mutual Defense Assistance Control Act of 1951,<sup>340</sup> but the compensation of any such retired officer shall be subject to the provisions of the Act of June 30, 1932 (5 U. S. C. 59a), which does not permit retired pay to be added to the compensation received as a civilian officer.

SEC. 533.<sup>341</sup> WAIVERS OF CERTAIN FEDERAL LAWS.<sup>342</sup>—Whenever the President determines it to be in furtherance of purposes declared in this Act, the functions authorized under this Act may be performed without regard to such provisions of law (other than the Renegotiation Act of 1951, as amended) regulating the making, performance, amend-

<sup>338</sup> 22 U. S. C. § 1792.

<sup>339</sup> This sentence was added by sec. 10 (d) of the MSAct of 1956.

<sup>340</sup> For text, see page 78.

<sup>341</sup> 22 U. S. C. § 1793.

<sup>342</sup> For waivers of other laws, see secs. 107, 403, 408 (e), 411 (d), 451, 502, 582, 587 (a), (c), (d), and (e) of this Act, and also Executive Order 10784 (page 115).

ment, or modification of contracts and the expenditure of Government funds as the President may specify.

SEC. 534.<sup>343</sup> REPORTS.—The President, from time to time while funds appropriated for the purpose of this Act continue to be available for obligation, shall transmit to the Congress reports covering each six months of operations, in furtherance of the purposes of this Act, except information the disclosure of which he deems incompatible with the security of the United States. Reports provided for under this section shall be transmitted to the Secretary of the Senate or the Clerk of the House of Representatives, as the case may be, if the Senate or the House of Representatives, as the case may be, is not in session. Such reports shall include detailed information on the implementation of sections 504, 202, 400, 416,<sup>344</sup> 413 (b), and 418<sup>345</sup> of this Act.

SEC. 535.<sup>346</sup> COOPERATION WITH NATIONS AND INTERNATIONAL ORGANIZATIONS.—(a) The President is authorized to request the cooperation of or the use of the services and facilities of the United Nations, its organs and specialized agencies, or other international organizations, in carrying out the purposes of this Act, and may make payments by advancements or reimbursements, for such purposes, out of funds made available for the purposes of this Act, as may be necessary therefor, to the extent that special compensation is usually required for such services and facilities: *Provided*, That nothing in this section shall be construed to authorize the delegation to any international or foreign organization or agency of authority to decide the method of furnishing assistance under this Act to any country or the amount thereof.<sup>347</sup>

(b) Whenever the President determines it to be consistent with and<sup>348</sup> in furtherance of the purposes and within the limitations of this Act, United States Government agencies, on request of international organizations, are authorized to furnish supplies, materials, and services, and on request of free<sup>349</sup> nations, are authorized to furnish nonmilitary supplies, materials, and services, to such organizations and nations on an advance of funds or reimbursement basis. Such advances, or reimbursements which are received under this subsection within one hundred and eighty days after the close of the fiscal year in which such supplies, materials, and services are delivered, may be credited to the current applicable appropriation or fund of the agency concerned and shall be available for the purposes for which such appropriations and funds are used.<sup>350</sup>

<sup>343</sup> 22 U. S. C. § 1794.

<sup>344</sup> The numbers "202, 400, 416" were added by sec. 10 (f) of the MSAAct of 1957.

<sup>345</sup> The words "and 418" were added by sec. 10 (e) of the MSAAct of 1955.

<sup>346</sup> 22 U. S. C. § 1795. The heading formerly read "Cooperation with International Organizations" and was changed by sec. 10 (e) (1) of the MSAAct of 1956.

<sup>347</sup> For sections authorizing contributions to international organizations, see secs. 104, 306, 405, 406, 407, 408, and 415 of this Act. Cf. secs. 102, 181 (a), and 536 of this Act, as well as repealed sec. 418, which appears on page 32.

<sup>348</sup> The words "consistent with and" were added by sec. 10 (g) of the MSAAct of 1957.

<sup>349</sup> The word "free" was added by sec. 10 (e) of the MSAAct of 1957.

<sup>350</sup> This section was amended by sec. 10 (e) (2) of the MSAAct of 1956. It formerly read: "Whenever the President determines it to be in furtherance of the purpose of this Act, United States Government agencies, on request of international organizations, are authorized to furnish supplies, materials, and services on an advance of funds or reimbursement basis, to such organizations. Such advances or reimbursements may be credited to the current applicable appropriation or fund of the agency concerned and shall be available for the purposes for which such appropriations and funds are authorized to be used."

SEC. 536.<sup>351</sup> JOINT COMMISSION ON RURAL RECONSTRUCTION IN CHINA.—The President is authorized to continue to participate in the Joint Commission on Rural Reconstruction in China and to appoint citizens of the United States to the Commission.

SEC. 537.<sup>352</sup> PROVISIONS ON USES OF FUNDS.—(a) Appropriations for the purposes of this Act (except for chapter I<sup>353</sup>), allocations to any United States Government agency, from other appropriations, for functions directly related to the purposes of this Act, and funds made available for other purposes to any agency administering nonmilitary assistance, shall be available for:

- (1) rents in the District of Columbia; <sup>354</sup>
- (2) expenses of attendance at meetings concerned with the purposes of such appropriations, including (notwithstanding the provisions of section 9 of the Act of March 4, 1909 (31 U. S. C. 673)) expenses in connection with meetings of persons whose employment is authorized by section 530 of this Act;
- (3) employment of aliens, by contract, for services abroad; <sup>355</sup>
- (4) purchase, maintenance, operation, and hire of aircraft: *Provided*, That aircraft for administrative purposes may be purchased only as specifically provided for in an appropriation or other Act;
- (5) purchase and hire of passenger motor vehicles: *Provided*, That, except as may otherwise be provided in an appropriation or other Act, passenger motor vehicles abroad for administrative purposes may be purchased for replacement only and such vehicles may be exchanged or sold and replaced by an equal number of such vehicles and the cost, including exchange allowance, of each such replacement shall not exceed \$3,300 in the case of an automobile for the chief of any special mission or staff abroad established under section 526 of this Act: *Provided further*, That passenger motor vehicles may be purchased for use in the continental United States only as may be specifically provided in an appropriation or other Act;
- (6) entertainment within the United States (not to exceed \$15,000 in any fiscal year except as may otherwise be provided in an appropriation or other Act);
- (7) exchange of funds without regard to section 3651 of the Revised Statutes (31 U. S. C. 543), and loss by exchange;
- (8) expenditures (not to exceed \$50,000 in any fiscal year except as may otherwise be provided in an appropriation or other Act) of a confidential character other than entertainment: *Provided*, That a certificate of the amount of each such expenditure, the nature of which it is considered inadvisable to specify, shall be made by an officer administering nonmilitary assistance, or such person as he may designate,<sup>356</sup> and every such certificate

<sup>351</sup> 22 U. S. C. § 1796.

<sup>352</sup> 22 U. S. C. § 1797. This section was added by sec. 9 (f) of the MSAAct of 1956.

<sup>353</sup> Sec. 501 (29) of the MSAAct of 1958 substituted "chapter I" in lieu of "chapter 1 of title I".

<sup>354</sup> Sec. 401 (f) of the MSAAct of 1958 struck out the words "for the fiscal year 1958" which followed the word "Columbia".

<sup>355</sup> For other provisions concerning employment of personnel for services abroad, see sec. 527 (e) and (d) of this Act.

<sup>356</sup> See sec. 545 (j) of this Act.

shall be deemed a sufficient voucher for the amount therein specified;<sup>357</sup>

(9) insurance of official motor vehicles in foreign countries; (10)<sup>358</sup> rental or lease outside the continental limits of the United States of offices, buildings, grounds, and living quarters to house personnel; maintenance, furnishings, necessary repairs, improvements, and alterations to properties owned or rented by the United States Government abroad; and costs of fuel, water and utilities for such properties;

(11) actual expenses of preparing and transporting to their former homes in the United States or elsewhere, and of care and disposition of, the remains of persons or member of the families of persons who may die while such persons are away from their homes participating in activities carried out with funds covered by this subsection (a);

(12) purchase of uniforms;

(13) payment of per diem in lieu of subsistence to foreign participants engaged in any program of furnishing technical information and assistance, while such participants are away from their homes in countries other than the continental United States, at rates not in excess of those prescribed by the Standardized Government Travel Regulations, notwithstanding any other provision of law;

(14) expenses authorized by the Foreign Service Act of 1946, as amended (22 U. S. C. 801 and the following), not otherwise provided for;<sup>359</sup>

(15) ice and drinking water for use abroad;

(16) services of commissioned officers of the Public Health Service and of the Coast and Geodetic Survey, and for the purposes of providing such services the Public Health Service may appoint not to exceed twenty officers in the regular corps to grades above that of senior assistant, but not above that of director, as otherwise authorized in accordance with section 711 of the Act of July 1, 1944, as amended (42 U. S. C. 211a), and the Coast and Geodetic Survey may appoint for such purposes not to exceed twenty commissioned officers in addition to those otherwise authorized;

(17) expenses in connection with travel of personnel outside the continental United States, including travel expenses of dependents (including expenses during necessary stopovers while engaged in such travel) and transportation of personal effects, household goods, and automobiles of such personnel when any part of such travel or transportation begins in one fiscal year pursuant to travel orders issued in that fiscal year, notwithstanding the fact that such travel or transportation may not be completed during that same fiscal year, and cost of transporting to and from a place of storage, and the cost of storing, the furniture and household and personal effects of any employee (i) for not to exceed three months after first arrival at a new post, (ii) when an

<sup>357</sup> See also sec. 451 of this Act.  
<sup>358</sup> This subsection was amended by sec. 10 (h) (8) of the MSAAct of 1957. It formerly read as follows: "rental of quarters outside the continental limits of the United States to house employees of the United States Government (without regard to section 322 of the Act of June 30, 1932, as amended (40 U. S. C. 278a)), lease, necessary repairs and alterations to quarters".

<sup>359</sup> See also sec. 527 (c) of this Act.

employee is assigned to a post to which he cannot take, or at which he is unable to use, his furniture and household and personal effects,<sup>360</sup> (iii) when such storage would avoid the cost of transporting such furniture and effects from one location to another, (iv) when he is temporarily absent from his post under orders, or (v) when through no fault of the employee storage costs are incurred on such furniture and effects (including automobiles) in connection with authorized travel,<sup>360</sup> under such regulations as an officer administering nonmilitary assistance, or such person as he may designate, may prescribe;

(18) payment of unusual expenses incident to the operation and maintenance of official residences for chiefs of special missions or staffs serving in accordance with section 526 of this Act.

(b) United States Government agencies are authorized to pay the costs of health and accident insurance for foreign participants in any exchange-of-persons program or any program of furnishing technical information and assistance administered by any such agency while such participants are en route or absent from their homes for purposes of participation in any such program.

(c) Notwithstanding the provisions of section 406 (a) of Public Law 85-241, not to exceed \$26,000,000,<sup>361</sup> of the funds available for assistance in Korea under this Act may be used by the President to construct or otherwise acquire essential living quarters, office space, and supporting facilities in Korea for use by personnel carrying out activities under this Act, and not to exceed \$2,750,000 of funds made available for assistance in other countries under this Act may be used (in addition to funds available for such use under other authorities in this Act) for construction or acquisition of such facilities for such purposes elsewhere.<sup>362</sup>

(d)<sup>363</sup> Funds made available under section 400 (a) may be used for expenses (other than those provided for under section 411 (b) of this Act) to assist in carrying out functions under the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U. S. C. 1691 and the following), delegated or assigned to any agency or officer administering nonmilitary assistance.

(e)<sup>364</sup> Funds available under this Act may be used to pay costs of training United States citizen personnel employed or assigned pursuant to section 527 (c) (2) of this Act (through interchange or otherwise) at any State or local unit of government, public or private non-profit institution, trade, labor, agricultural, or scientific association or organization, or commercial firm; and the provisions of Public Law 918,<sup>365</sup> Eighty-fourth Congress, may be used to carry out the foregoing authority notwithstanding that interchange of personnel may not be involved or that the training may not take place at the institutions specified in that Act. Such training shall not be considered employment or holding of office under title 5, United States Code, section 62

<sup>360</sup> Sec. 10 (h) (4) of the MSAAct of 1957 struck out the word "or" before subsec. "(III)" and added subsecs. "(iv)" and "(v)".

<sup>361</sup> Sec. 401 (f) of the MSAAct of 1958 substituted the words to this point, beginning with "Notwithstanding" in lieu of "Not to exceed \$18,000,000".

<sup>362</sup> Sec. 401 (f) of the MSAAct of 1958 added this clause, beginning with the words "and not to exceed \$2,750,000".

<sup>363</sup> Sec. 6 of the MSAAct of 1957 redesignated subsec. "(c)" of sec. 201 as subsec. "(d)" of sec. 527. This subsection was amended by substituting the words "section 400 (a)" for "this title" and "411 (b)" for "411 (c)".

<sup>364</sup> This subsection added by sec. 10 (6) of the MSAAct of 1957.

<sup>365</sup> 7 U. S. C. § 1883.

and any payments or contributions in connection therewith may, as deemed appropriate by the head of the United States Government agency authorizing such training, be made by private or public sources and be accepted by any trainee, or may be accepted by and credited to the current applicable appropriation of such agency: *Provided, however,* That any such payments to an employee in the nature of compensation shall be in lieu of or in reduction of compensation received from the Government of the United States.

(f) <sup>366</sup> During the annual presentation to the Congress of requests for authorizations and appropriations under this Act, a detailed explanation of the method by which the proposed programs for each country have been arrived at shall be submitted, including all significant factors considered in arriving at such proposed programs.

SEC. 541. <sup>367</sup> EFFECTIVE DATE.—This Act shall take effect on the date of its enactment.

SEC. 542. STATUTES REPEALED.—(a) There are hereby repealed—

(1) an Act to provide for assistance to Greece and Turkey, approved May 22, 1947, as amended; <sup>368</sup>

(2) the joint resolution to provide for relief assistance to the people of countries devastated by war, approved May 31, 1947, as amended; <sup>369</sup>

(3) the Foreign Aid Act of 1947; <sup>370</sup>

(4) The Foreign Assistance Act of 1948, as amended; <sup>371</sup> including the Economic Cooperation Act of 1948, as amended, <sup>372</sup> the International Children's Emergency Fund Assistance Act of 1948, as amended, <sup>373</sup> the Greek-Turkish Assistance Act of 1948, <sup>374</sup> and the China Aid Act of 1948, as amended; <sup>375</sup>

(5) the Mutual Defense Assistance Act of 1949, as amended; <sup>376</sup>

(6) the Foreign Economic Assistance Act of 1950, as amended; <sup>377</sup> including the Economic Cooperation Act of 1950, <sup>378</sup> the China Area Aid Act of 1950, as amended, <sup>379</sup> the United Nations Palestine Refugee Aid Act of 1950, <sup>380</sup> and the Act for International Development, as amended; <sup>381</sup>

(7) the Far Eastern Economic Assistance Act of 1950, as amended; <sup>382</sup>

(8) the Yugoslav Emergency Relief Assistance Act of 1950; <sup>383</sup>

(9) the Mutual Security Act of 1951, as amended; <sup>384</sup>

(10) the Mutual Security Act of 1952; <sup>385</sup>

(11) the Mutual Security Act of 1953; <sup>386</sup>

(12) section 12 of the joint resolution of Congress approved November 4, 1939 (54 Stat. 10; 22 U. S. C. 452);

<sup>366</sup> Subsec. (f) was added by sec. 401 (f) of the MSAAct of 1958.

<sup>367</sup> 22 U. S. C. § 1751 note.

<sup>368</sup> 22 U. S. C. § 1401.

<sup>369</sup> 22 U. S. C. §§ 1411-1417.

<sup>370</sup> 22 U. S. C. § 1411 note.

<sup>371</sup> 22 U. S. C. § 1501.

<sup>372</sup> 22 U. S. C. §§ 1501-1520.

<sup>373</sup> 22 U. S. C. § 1531 note.

<sup>374</sup> 22 U. S. C. §§ 1401-1410.

<sup>375</sup> 22 U. S. C. §§ 1541-1546 note.

<sup>376</sup> 22 U. S. C. §§ 1571-1584 note.

<sup>377</sup> 22 U. S. C. § 1501 note.

<sup>378</sup> 22 U. S. C. § 1501 note.

<sup>379</sup> 22 U. S. C. § 1547 note.

<sup>380</sup> 22 U. S. C. §§ 1556-1556 (b) note.

<sup>381</sup> 22 U. S. C. §§ 1557-1557 (o) note.

<sup>382</sup> 22 U. S. C. §§ 1551-1552 note.

<sup>383</sup> 22 U. S. C. §§ 1651-1675 (p) note.

<sup>384</sup> 22 U. S. C. §§ 1651-1675 (p) note.

<sup>385</sup> 22 U. S. C. §§ 1651-1675 (p) note.

<sup>386</sup> 22 U. S. C. § 16751 note.

(13) section 4 of the Act of March 3, 1925 (50 Stat. 887; 50 U. S. C. 165); and

(14) section 968 of title 18, United States Code.

(b) References in other Acts to the Acts listed in subsection (a) shall hereafter be considered to be references to the appropriate provisions of this Act.<sup>387</sup>

(c) The repeal of the Acts listed in subsection (a) shall not be deemed to affect amendments contained in such Acts to acts not named in subsection (a).<sup>387</sup>

SEC. 543.<sup>388</sup> SAVING PROVISIONS.—(a) Except as may be expressly provided to the contrary in this Act, all determinations, authorizations, regulations, orders, contracts, agreements, and other actions issued, undertaken or entered into under authority of any provision of law repealed by section 542 shall continue in full force and effect until modified by appropriate authority.

(b) Where provisions of this Act establish conditions which must be complied with before use may be made of authority contained in or funds authorized by this Act, compliance with substantially similar conditions under Acts named in section 542 shall be deemed to constitute compliance with the conditions established by this Act.

(c) No person in the service or employment of the United States or otherwise performing functions under an Act repealed by section 542 or under section 408 shall be required to be reappointed or reemployed by reason of the entry into force of this Act, except that appointments made pursuant to section 110(a)(2) of the Economic Cooperation Act of 1948, as amended,<sup>389</sup> shall be converted to appointments under section 527(c) of this Act.

(d)<sup>390</sup> Funds appropriated pursuant to provisions of this Act repealed by the Mutual Security Act of 1956, 1957, or 1958<sup>391</sup> shall remain available for their original purposes in accordance with the provisions of law originally applicable thereto. References in any Act to provisions of this Act repealed or stricken out by the Mutual Security Act of 1957 are hereby stricken out; and references in any Act to provisions of this Act redesignated by the Mutual Security Act of 1957 are hereby amended to refer to the new designations. Until June 30, 1958, funds used for the purposes of this Act shall be so used in accordance with the provisions of this Act as in effect prior to the date of enactment of the Mutual Security Act of 1958.<sup>392</sup>

Sec. 544.<sup>393</sup> AMENDMENTS TO OTHER LAWS.<sup>394</sup>—(a) Section 1 of Pub-

<sup>387</sup> 22 U. S. C. § 1768 note.

<sup>388</sup> 22 U. S. C. § 1768.

<sup>389</sup> 22 U. S. C. § 1508 (a) (2).

<sup>390</sup> Subsec. (d) was added by sec. 11 (a) of the MSAAct of 1957.

<sup>391</sup> Sec. 401 (g) of the MSAAct of 1958 substituted "Act of 1956, 1957, or 1958" in lieu of "Act of 1956 or the Mutual Security Act of 1957".

<sup>392</sup> This sentence was added by sec. 401 (g) of the MSAAct of 1958.

<sup>393</sup> 22 U. S. C. § 297a note, 7 U. S. C. § 1704 note.

<sup>394</sup> Sec. 11 (b) of the MSAAct of 1957 repealed subsecs. (a), (c), (d), (e), (f), (g), (h), and (i) and redesignated subsec. "(b)" as subsec. "(a)". Subsecs. (c) through (i) had been added by sec. 11 (a) of the MSAAct of 1956. The repealed subsections read as follows:

"SEC. 544. AMENDMENTS TO OTHER LAWS.—(a) Title X of the United States Information and Educational Exchange Act of 1948, as amended (22 U. S. C. 1431), is amended by adding the following new section:

"INFORMATIONAL MEDIA GUARANTIES

" SEC. 1011. The Director of the United States Information Agency may make guarantees, in accordance with the provisions of subsection (b) of section 413 of the Mutual Security Act of 1954, of investments in enterprises producing or distributing informational media consistent with the national interests of the United States against funds heretofore made available by notes issued to the Secretary of the Treasury pursuant to Section 111 (c) (2) of the Economic Cooperation Act of 1948, as amended, for purposes of guarantees of

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lic Law 283, Eighty-first Congress, is repealed. The Institute of Inter-American Affairs, created pursuant to Public Law 369, Eightieth Con-

investments: *Provided, however, That the amount of such guarantees in any fiscal year shall be determined by the President but shall not exceed \$10,000,000.*

"(c) In section 4 of the Act of May 26, 1949 (63 Stat. 111, 5 U. S. C. 151c), insert after the words 'such functions' the following: ', including if he shall so specify the authority successively to redelegate any of such functions.'

"(d) In the first sentence of section 32 (b) (2) of the Surplus Property Act of 1944, as amended (50 U. S. C. App. 1641 (b) (2)), after 'any agency thereof', insert 'including amounts received in repayment of principal or interest on any loan made under section 505 (b) of the Mutual Security Act of 1954, as amended'.

"(e) Section 938 of the Foreign Service Act of 1948, as amended (22 U. S. C. 1148), is hereby amended by inserting after 'continental United States' where it appears in both subsection (a) and subsection (b) of that section ', its Territories and possessions.'

"(f) Section 1441 (c) of the Internal Revenue Code of 1954 is hereby amended by inserting after paragraph (5) the following new paragraph:

"(6) PER DIEM OF CERTAIN ALIENS.—No deduction or withholding under subsection (a) shall be required in the case of amounts of per diem for subsistence paid by the United States Government (directly or by contract) to any nonresident alien individual who is engaged in any program of training in the United States under the Mutual Security Act of 1954, as amended.

"(g) Section 1011 of the United States Information and Educational Exchange Act of 1948, as amended (22 U. S. C. 1442), is amended by inserting '(a)' before 'The Director,' by deleting everything after the words 'national interests of the United States,' by inserting a period at that point, and by inserting the following new subsections:

"(b) The Director is authorized to assume the obligation of not to exceed \$28,000,000 of the notes authorized to be issued pursuant to subsection 111 (c) (2) of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1509 (c) (2)), together with the interest accrued and unpaid thereon, and to obtain advances from time to time from the Secretary of the Treasury up to such amount, less amounts previously advanced on such notes, as provided for in said notes. Such advances shall be deposited in a special account in the Treasury available for payments under informational media guarantees.

"(c) The Director is authorized to make informational media guarantees without regard to the limitations of time contained in subsection 413 (b) (4) of the Mutual Security Act of 1954, as amended (22 U. S. C. 1933 (b) (4)), but the total of such guarantees outstanding at any one time shall not exceed the sum of the face amount of the notes assumed by the Director less the amounts previously advanced on such notes by the Secretary of the Treasury plus the amount of the funds in the special account referred to in subsection (b).

"(d) Foreign currencies available after June 30, 1955, from conversions made pursuant to the obligation of informational media guarantees may be sold, in accordance with Treasury Department regulations, for dollars which shall be deposited in the special account and shall be available for payments under new guarantees. Such currencies shall be available, as may be provided for by the Congress in appropriation Acts, for use for educational, scientific, and cultural purposes which are in the national interest of the United States, and for such other purposes of mutual interest as may be agreed to by the governments of the United States and the country from which the currencies derive.

"(e) Notwithstanding the provisions of subparagraph 413 (b) (4) (E) of the Mutual Security Act of 1954, as amended (22 U. S. C. 1933 (b) (4) (E)), (1) fees collected for the issuance of informational media guarantees shall be deposited in the special account and shall be available for payments under informational media guarantees; and (2) the Director may require the payment of a minimum charge of up to fifty dollars for issuance of guaranty contracts, or amendments thereto.

"(f) The Director is further authorized, under such terms as he may prescribe, to make advance payments under informational media guarantees: *Provided, That currencies receivable from holders of such guarantees on account of such advance payments shall be paid to the United States within nine months from the date of the advance payment and that appropriate security to assure such payments is required before any advance payment is made.*

"(g) As soon as feasible after the enactment of this subsection, all assets, liabilities, income, expenses, and charges of whatever kind pertaining to informational media guarantees, including any charges against the authority to issue notes provided in section 111 (c) (2) of the Economic Cooperation Act of 1948, as amended, cumulative from the enactment of that Act, shall be accounted for separately from other guarantees issued pursuant to subsection 413 (b) of the Mutual Security Act of 1954, as amended (22 U. S. C. 1933 (b)): *Provided, That there shall be transferred from the special account established pursuant to subsection (b), into the account available for payments under guarantees other than informational media guarantees, an amount equal to the total of the fees received for the issuance of guarantees other than informational media guarantees, and used to make payments under informational media guarantees.*

"(h) Section 104 (h) of the Agricultural Trade Development and Assistance Act of 1954, as amended (Public Law 480, Eighty-third Congress; 7 U. S. C. 1704), is amended by adding at the end thereof the following: 'In the allocation of funds as among the various purposes set forth in this section, a special effort shall be made to provide for the purposes of this subsection, including a particular effort with regard to: (1) countries where adequate funds are not available from other sources for such purposes, and (2) countries where agreements can be negotiated to establish a fund with the interest and principal available over a period of years for such purposes.'

"(i) Section 104 of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, Eighty-third Congress; 7 U. S. C. 1704), as amended, is further amended by adding after paragraph (h) the following new paragraph:

"(i) for financing the translation, publication, and distribution of books and periodicals, including Government publications, abroad: *Provided, That not more than \$5,000,000 may be allocated for this purpose during any fiscal year.*"

Sec. 401 (n) of the MSA of 1958 struck out subsecs. (b) and (c) (which deletions shall not be deemed to affect amendments contained in such subsections to Acts other than the Mutual Security Act of 1954, as amended).

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gress (22 U. S. C. 281),<sup>395</sup> shall have succession until June 30, 1960, and may make contracts for periods not to exceed five years: *Provided*, That any contract extending beyond June 30, 1960, shall be made subject to termination by the said Institute upon notice: *And provided further*, That the said Institute shall, on and after July 1, 1954, be subject to the applicable provisions of the Budget and Accounting Act, 1921, as amended (31 U. S. C. 1), in lieu of the provisions of the Government Corporation Control Act, as amended (31 U. S. C. 841).

SEC. 545.<sup>396</sup> DEFINITIONS.—For the purposes of this Act—

(a) The term "commodity" includes any commodity, material, article, supply or goods.

(b) The term "surplus agricultural commodity" means any agricultural commodity or product thereof, class, kind, type, or other specification thereof, produced in the United States either publicly or privately owned, which is in excess of domestic requirements, adequate carryover, and anticipated exports for dollars, as determined by the Secretary of Agriculture.

(c) The terms "equipment" and "materials" shall mean any arms, ammunition, or implements of war, or any other type of material, article, raw material, facility, tool, machine, supply or item that would further the purpose of chapter I<sup>397</sup> or any component or part thereof, used or required for use in connection therewith, or required in or for the manufacture, production, processing, storage, transportation, repair or rehabilitation of any equipment or materials, but shall not include merchant vessels.<sup>398</sup>

(d) The term "mobilization reserve" as used with respect to any equipment or materials, means the quantity of such equipment or materials determined by the Secretary of Defense under regulations prescribed by the President to be required to support mobilization of the Armed Forces of the United States in the event of war or national emergency until such time as adequate additional quantities of such equipment or materials can be procured.

(e) The term "excess" as used with respect to any equipment or materials, means the quantity of such equipment or materials owned by the United States which is in excess of the mobilization reserve of such equipment or materials.

(f) The term "services" shall include any service, repair, training of personnel, or technical or other assistance or information necessary to effectuate the purposes of this Act.

(g) The term "Armed Forces of the United States" shall include any component of the Army of the United States, of the United States Navy, of the United States Marine Corps, of the Air Force of the United States, of the United States Coast Guard, and the Reserve components thereof.

<sup>395</sup> For text, see page 90.

<sup>396</sup> 22 U. S. C. § 1751.

<sup>397</sup> Sec. 501 (31) of the MSAAct of 1958 substituted "chapter I" in lieu of "chapter 1 of title I".

<sup>398</sup> For limitation on the transfer of naval vessels, see the Act of March 10, 1951 (65 Stat. 4, 34 U. S. C. § 493a-1); for reference to Act of August 5, 1953, authorizing transfer of certain vessels, see page 265. See also reference made to Act of August 29, 1957, authorizing sale of vessels to Venezuela and extension of loan of vessels to the Netherlands, page 265, and Act of July 18, 1958, authorizing transfer to friendly foreign countries, page 264.

(h) The term "value" means—

(1) with respect to any excess equipment or materials furnished under chapter I<sup>399</sup> the gross cost of repairing, rehabilitating, or modifying such equipment or materials prior to being so furnished;

(2) with respect to any nonexcess equipment or materials furnished under chapter I<sup>399</sup> which are taken from the mobilization reserve (other than equipment or materials referred to in paragraph (3) of this subsection), the actual or the projected (computed as accurately as practicable) cost of procuring for the mobilization reserve an equal quantity of such equipment or materials or an equivalent quantity of equipment or materials of the same general type but deemed to be more desirable for inclusion in the mobilization reserve than the equipment or materials furnished;

(3) with respect to any nonexcess equipment or materials furnished under chapter I<sup>399</sup> which are taken from the mobilization reserve but with respect to which the Secretary of Defense has certified that it is not necessary fully to replace such equipment or materials in the mobilization reserve, the gross cost to the United States of such equipment and materials or its replacement cost, whichever the Secretary of Defense may specify; and

(4) with respect to any equipment or materials furnished under chapter I<sup>399</sup> which are procured for the purpose of being so furnished, the gross cost to the United States of such equipment and materials.

In determining the gross cost incurred by any agency in repairing, rehabilitating, or modifying any excess equipment furnished under chapter I,<sup>399</sup> all parts, accessories, or other materials used in the course of repair, rehabilitation, or modification shall be priced in accordance with the current standard pricing policies of such agency. For the purpose of this subsection, the gross cost of any equipment or materials taken from the mobilization reserve means either the actual gross cost to the United States of that particular equipment or materials or the estimated gross cost to the United States of that particular equipment or materials obtained by multiplying the number of units of such particular equipment or materials by the average gross cost of each unit of that equipment and materials owned by the furnishing agency. Notwithstanding the foregoing provisions of this subsection (h) and for the purpose of establishing a more equitable pricing system for transactions between the military departments and the Mutual Defense Assistance Program, the Secretary of Defense shall prescribe at the earliest practicable date, through appropriate pricing regulations of uniform applicability, that the term "value" (except in the case of excess equipment or materials) shall mean—

(1) the price of equipment or materials obtaining for similar transactions between the Armed Forces of the United States; or

(2) where there are no similar transactions within the meaning of paragraph (1), the gross cost to the United States adjusted as appropriate for condition and market value.<sup>400</sup>

<sup>399</sup> Sec. 501 (32) of the MSAAct of 1958 substituted "chapter I" in lieu of "chapter 1 of title I".  
<sup>400</sup> The portion of this subsection beginning with "Notwithstanding the foregoing provi-  
sions \* \* \*" was added by sec. 11 (b) (1) of the MSAAct of 1958.

(i) The term "United States Government agency" means any department, agency, board, wholly or partly owned corporation, or instrumentality, commission, or establishment of the United States Government.

(j)<sup>401</sup> The term "agency administering nonmilitary assistance" shall refer to the Development Loan Fund and<sup>402</sup> any agency to which authorities and functions under<sup>403</sup> title I,<sup>402</sup> title III, or title IV of chapter II or under chapter III of this Act are delegated or assigned pursuant to authority contained in sections 521 and 525 of this Act.

(k)<sup>401</sup> The term "officer administering nonmilitary assistance" shall refer to the Board of Directors of the Development Loan Fund and<sup>404</sup> any officer to whom authorities and functions under<sup>403</sup> title I,<sup>404</sup> Title III, or title IV of chapter II or under chapter III of this Act are delegated or assigned pursuant to authority contained in sections 521 and 525 of this Act.

SEC. 546.<sup>405</sup> CONSTRUCTION.—(a) If any provisions of this Act or the application of any provision to any circumstances or persons shall be held invalid, the validity of the remainder of the Act and applicability of such provision to other circumstances or persons shall not be affected thereby.

(b) Nothing in this Act shall alter, amend, revoke, repeal, or otherwise affect the provisions of the Atomic Energy Act of 1954, as amended (42 U. S. C. 2011).<sup>406</sup>

(c) Nothing in this Act is intended nor shall it be construed as an expressed or implied commitment to provide any specific assistance, whether of funds, commodities, or services, to any nation or nations, or to any international organization.

SEC. 547.<sup>407</sup> REDUCTION OF AUTHORIZATIONS.—\* \* \* (Repealed)

SEC. 548.<sup>408</sup> UNEXPENDED BALANCES.—Unexpended balances of funds made available under authority of this Act are hereby authorized to be continued available for the general purposes for which appropriated, and may be consolidated with appropriations made available beginning in fiscal year 1957 for the same general purposes under the authority of this Act.<sup>409</sup>

<sup>401</sup> Subsecs. (j) and (k) of sec. 545 were added by sec. 11 (b) (2) of the MSAct of 1956.

<sup>402</sup> Sec. 401 (i) (1) of the MSAct of 1958 added the words "the Development Loan Fund and" and struck out the words "title II".

<sup>403</sup> Sec. 501 (33) of the MSAct of 1958 struck out the words "chapter 3 of" following "under", and inserted "of chapter II or under chapter III" immediately after "title IV".

<sup>404</sup> Sec. 401 (1) (2) of the MSAct of 1958 added the words "the Board of Directors of the Development Loan Fund and" and struck out the words "title II".

<sup>405</sup> 22 U. S. C. § 1752.

<sup>406</sup> Sec. 11 (c) of the MSAct substituted "Atomic Energy Act of 1954, as amended (42 U. S. C. 2011)" for "Atomic Energy Act of 1946, as amended (42 U. S. C. 1801)".

<sup>407</sup> This section was repealed by the MSAct of 1957. The repealed section read as follows:

"SEC. 547. REDUCTION OF AUTHORIZATIONS.—Notwithstanding the foregoing provisions of this Act, such provisions shall not be construed to authorize the appropriation for the fiscal year 1955, for the purposes of titles I, II, and IV of this Act, of amounts (exclusive of unexpended balances of prior appropriations authorized to be continued available under such provisions) aggregating in excess of \$2,918,040,000."

<sup>408</sup> U. S. C. § 1767a.

<sup>409</sup> This section was amended by sec. 11 (c) of the MSAct of 1958. It formerly read as follows:

"Unexpended balances of funds heretofore made available under authority of this Act are hereby authorized to be continued available for the general purposes for which appropriated, and may be consolidated with appropriations made available beginning in fiscal year 1956 for the same general purposes under the authority of this Act: *Provided, however,* That unexpended balances in excess of \$200,000,000 not obligated by June 30, 1955, in accordance with the provisions of section 1311 of the Supplemental Appropriation Act, 1955 (Public Law 663, Eighty-third Congress), or reserved in accordance with the provisions of section 110 of the Mutual Security Appropriation Act, 1955 (Public Law 778, Eighty-third Congress), are not authorized to be continued available after such date."

SEC. 549.<sup>410</sup> SPECIAL PROVISIONS ON AVAILABILITY OF FUNDS.—An amount equal to 25 per centum of the funds authorized to be appropriated for any fiscal year for purposes of title III of chapter II<sup>411</sup> or section 403 of this Act is authorized to be continued available for three months beyond the end of the fiscal year for which appropriated.<sup>412</sup>

<sup>410</sup> 22 U. S. C. § 1759a. This section was added by sec. 11 (d) of the MSAAct of 1956. See also Mutual Security Appropriation Act, 1959, "Funds appropriated under each paragraph of this Act (other than appropriations under the head of military assistance), including unobligated balances continued available, and amounts certified pursuant to section 1311 of the Supplemental Appropriation Act, 1955, as having been obligated against appropriations heretofore made for the same general purpose as such paragraph, which amounts are hereby continued available (except as may otherwise be specified in this Act) for the same period as the respective appropriations in this Act for the same general purpose, may be consolidated in one account for each paragraph."

<sup>411</sup> Sec. 501 (34) of the MSAAct of 1958 added the words "of chapter II" after "title III".

<sup>412</sup> See also Mutual Security Appropriation Act, 1959, sec. 104, page 69.

### 3. Mutual Security Act of 1956

Sections 12, 13 and 14—Partial Text of Public Law 726, 84th Congress [H. R. 11356], 70 Stat. 555, approved July 18, 1956

NOTE.—Except for Sections 12, 13 and 14, the whole of the Mutual Security Act of 1956 consists of amendments to the Mutual Security Act of 1954, as amended.

AN ACT To amend further the Mutual Security Act of 1954, as amended.  
*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Mutual Security Act of 1956".

#### FOREIGN RESEARCH REACTOR PROJECTS

SEC. 12.<sup>1</sup> (a) As one means of furthering peaceful uses of atomic energy on an international basis, there is hereby authorized to be appropriated to the President for the fiscal year 1957 not to exceed \$5,950,000 for use by the President, on such terms and conditions as he may specify, for research reactor projects undertaken or authorized by foreign governments which shall have entered into agreements for cooperation with the Government of the United States concerning the peaceful uses of atomic energy.

(b) Nothing in this section shall alter, amend, revoke, repeal, or otherwise affect the provisions of the Atomic Energy Act of 1954.

(c) The United States share of the cost of any reactor made available to another government or to other governments under this section shall not exceed \$350,000.

(d) In carrying out the purposes of this section, the appropriate United States departments and agencies shall give full and continuous publicity through the press, radio, and all other available media, so as to inform the peoples of the participating countries regarding the assistance, including its purpose, source, and character, furnished by the United States.<sup>2</sup> Such portions of the equipment furnished under this section as may be appropriately die-stamped as a product of the United States shall be so stamped.

SEC. 13.<sup>3</sup> It is the sense of Congress that not to exceed \$11,000,000 of the funds made available pursuant to the Mutual Security Act of 1954, as amended, for the fiscal year 1957 be transferred, in the discretion of the President, to the Department of State to carry out international educational exchange activities. Such amount is authorized to be transferred to and consolidated with funds made available to the Department of State for the fiscal year 1957 for the activities

<sup>1</sup> 22 U. S. C. § 1939.

<sup>2</sup> See Executive Order 10575, as amended, page 98.

<sup>3</sup> 22 U. S. C. § 1753 note.

## 2. Mutual Security Act of 1955

Section 12—Partial Text of Public Law 138, 84th Congress [S. 2090], 69 Stat. 283, approved July 8, 1955

NOTE.—Except for Section 12, the whole of the Mutual Security Act of 1955 consists of amendments to the Mutual Security Act of 1954.

AN ACT To amend the Mutual Security Act of 1954, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Mutual Security Act of 1955".

\* \* \* \* \*  
SEC. 12. It is hereby declared to be the continuing sense of the Congress that the Communist regime in China has not demonstrated its willingness to fulfill the obligations contained in the Charter of the United Nations and should not be recognized to represent China in the United Nations.

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authorized by the United States Information and Educational Exchange Act of 1948, as amended (22 U. S. C. 1431-1479), and by section 32 (b) (2) of the Surplus Property Act of 1944, as amended (50 U. S. C. App. 1641 (b)). The amount transferred pursuant to this section shall be in addition to funds otherwise appropriated for such activities, and not to exceed \$500,000 of the amount so transferred may be used for administrative expenses.

SEC. 14.<sup>4</sup> It is the sense of Congress that in the preparation of the mutual security program, the President should take fully into account the desirability of affirmatively promoting the economic development of under-developed countries, both as a means of effectively counteracting the increased political and economic emphasis of Soviet foreign policy and as a means of promoting fundamental American foreign policy objectives of political and economic self-determination and independence.

<sup>4</sup> 22 U. S. C. § 1870.

#### 4. Mutual Security Act of 1958

Sec. 503.—Partial Text of Public Law 85-477 [H. R. 12181], 72 Stat. 261,  
approved June 30, 1958

NOTE.—Except for Section 503, the whole of the Mutual Security Act of 1958 consists of amendments to the Mutual Security Act of 1954, as amended, and to other laws.

AN ACT To amend further the Mutual Security Act of 1954, as amended, and  
for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Mutual Security Act of 1958".*

\* \* \* \* \*

#### COOPERATION IN WESTERN HEMISPHERE

Sec. 503. It is the sense of the Congress that, in view of the friendly relationships and mutual interests which exist between the United States and the other nations of the Western Hemisphere, the President should, pursuant to the provisions of the Mutual Security Act of 1954, as amended, and other applicable legislation, seek to strengthen co-operation in the Western Hemisphere to the maximum extent by encouraging joint programs of technical and economic development.

### 5. Mutual Security Appropriation Act, 1959

Text of Public Law 85-853 [H. R. 13192], 72 Stat. 1100, approved August 28, 1958

AN ACT Making appropriations for Mutual Security for the fiscal year ending June 30, 1959, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1959, namely:*

#### MUTUAL SECURITY

##### FUNDS APPROPRIATED TO THE PRESIDENT

For expenses necessary to enable the President to carry out the provisions of the Mutual Security Act of 1954, as amended,<sup>1</sup> to remain available until June 30, 1959 unless otherwise specified herein, as follows:

Military assistance: For assistance authorized by section 103 (a) to carry out the purposes of chapter I (including administrative expenses as authorized by section 103 (b), which shall not exceed \$25,000,000 for the fiscal year 1959, and purchase for replacement only of passenger motor vehicles for use abroad), \$1,515,000,000;

Defense support: For assistance authorized by section 131 (b), \$750,000,000: *Provided*, That not less than \$50,000,000 thereof shall be available for Spain exclusive of technical cooperation;

Development Loan Fund: For advances to the Development loan fund as authorized by section 203, \$400,000,000, to remain available until expended;

Technical cooperation, general authorization: For assistance authorized by section 304, \$150,000,000;

United Nations expanded program of technical assistance and related fund: For contributions authorized by section 306 (a), \$20,000,000;

Technical cooperation programs of the Organization of American States: For contributions authorized by section 306 (b), \$1,500,000;

Special assistance, general authorization: For assistance authorized by section 400 (a), \$200,000,000;

Intergovernmental Committee for European Migration: For contributions authorized by section 405 (a), \$12,500,000: *Provided*, That no funds appropriated in this Act shall be used to assist directly in the migration to any nation in the Western Hemisphere of any person not having a security clearance based on reasonable standards to insure against Communist infiltration in the Western Hemisphere;

Program of United Nations High Commissioner for Refugees: For contributions authorized by section 405 (c), \$1,200,000;

<sup>1</sup> For text, see page 1.

Escapee program: For assistance authorized by section 405 (d), \$8,600,000;

United Nations Children's Fund: For contributions authorized by section 406, \$11,000,000;

United Nations Relief and Works Agency: For contributions and expenditures authorized by section 407, \$25,000,000, and in addition the unobligated balances of funds heretofore made available for this purpose are continued available;

Ocean freight charges, United States voluntary relief agencies: For payments authorized by section 409 (c), \$2,100,000;

Control Act expenses: For carrying out the purposes of the Mutual Defense Assistance Control Act of 1951,<sup>2</sup> as authorized by section 410, \$1,000,000;

General administrative expenses: For expenses authorized by section 411 (b), \$33,000,000;

Atoms for Peace: For assistance authorized by section 419, \$5,500,000;

President's Special Authority and Contingency Fund: For assistance authorized by section 451 (b), \$155,000,000;

President's Fund for Asian Economic Development:<sup>3</sup> Unobligated balances of funds heretofore made available for the President's Fund for Asian Economic Development are hereby continued available for the fiscal year 1959 for the purposes for which originally appropriated.

Funds appropriated under each paragraph of this Act (other than appropriations under the head of military assistance), including unobligated balances continued available, and amounts certified pursuant to section 1811 of the Supplemental Appropriation Act, 1955,<sup>4</sup> as having been obligated against appropriations heretofore made for the same general purpose as such paragraph, which amounts are hereby continued available (except as may otherwise be specified in this Act) for the same period as the respective appropriations in this Act for the same general purpose, may be consolidated in one account for each paragraph.

#### DEPARTMENT OF STATE

Administrative expenses: For expenses of the Department of State as authorized by section 411 (c) of the Mutual Security Act of 1954, as amended, \$6,692,500.

#### CORPORATIONS

The Development Loan Fund is hereby authorized to make such expenditures within the limits of funds available to it, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided in section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the fiscal year 1959 for such corporation, except as hereinafter provided:

#### LIMITATION ON ADMINISTRATIVE EXPENSES, DEVELOPMENT LOAN FUND

Not to exceed \$1,250,000 of the funds of the Development Loan Fund shall be available during the fiscal year 1959 for administrative

<sup>2</sup> For text, see page 78.

<sup>3</sup> Former sec. 418 of the MSAct of 1954, as amended, repealed in 1956. For text, see page 82.

<sup>4</sup> For text, see page 76.

expenses of the Fund covering the categories set forth in the fiscal year 1959 budget estimates for such expenses.

GENERAL PROVISIONS

SEC. 102. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.<sup>5</sup>

SEC. 103. Payments made from funds appropriated herein for engineering fees and services to any individual engineering firm on any one project in excess of \$25,000 shall be reported to the Committees on Appropriations of the Senate and House of Representatives at least twice annually.

SEC. 104. Except for the appropriations entitled "President's special authority and contingency fund" and "Development loan fund", not more than 20 per centum of any appropriation item made available by this Act shall be obligated and/or reserved during the last month of availability.

SEC. 105. The Congress hereby reiterates its opposition to the seating in the United Nations of the Communist China regime as the representative of China, and it is hereby declared to be the continuing sense of the Congress that the Communist regime in China has not demonstrated its willingness to fulfill the obligations contained in the Charter of the United Nations and should not be recognized to represent China in the United Nations. In the event of the seating of representatives of the Chinese Communist regime in the Security Council or General Assembly of the United Nations, the President is requested to inform the Congress insofar as is compatible with the requirements of national security, of the implications of this action upon the foreign policy of the United States and our foreign relationships, including that created by membership in the United Nations, together with any recommendations which he may have with respect to the matter.

SEC. 106. The appropriations and authority with respect thereto in this Act shall be available from July 1, 1958, for the purposes provided in such appropriations and authority. All obligations incurred during the period between June 30, 1958, and the date of enactment of this Act in anticipation of such appropriations and authority are hereby ratified and confirmed if in accordance with the terms hereof.

SEC. 107. None of the funds provided by this Act nor any of the counterpart funds generated as a result of assistance under this Act or any prior Act shall be used to pay pensions, annuities, retirement pay or adjusted service compensation for any persons heretofore or hereafter serving in the armed forces of any recipient country.

SEC. 108. Not to exceed 50 per centum of the foreign currencies heretofore generated in any country under section 402 of the Mutual Security Act of 1954, as amended, may, notwithstanding prior provisions of law, hereafter be used in accordance with the provisions of that section: *Provided*, That quarterly reports of the use of foreign currencies pursuant to this section shall be submitted to the Committees on Appropriations of the Senate and House of Representatives.

This Act may be cited as the "Mutual Security Appropriation Act, 1959".

<sup>5</sup> See also sec. 508 of the MSA of 1954, as amended, page 40.

NOTE.—Section 108 of the Mutual Security Appropriation Act, 1956, as amended by section 106 of the Mutual Security Appropriation Act, 1957, reads as follows:

"SEC. 108. Funds heretofore or hereafter allocated to the Department of Defense from any appropriation for military assistance (including funds consolidated with any such appropriation but excepting funds obligated directly against any such appropriation for offshore procurement or other purposes) shall be accounted for by geographic area and by country solely on the basis of the value of materials delivered and services performed (such value to be determined in accordance with the applicable provisions of law governing the administration of military assistance). Within the limits of amounts available from funds so allocated, the Department of Defense is authorized to incur, in applicable appropriations, obligations in anticipation of reimbursement from such allocations, and no funds so allocated and available shall be withdrawn by administrative action until the Secretary of Defense shall certify that they are not required for liquidation of obligations so incurred. Unobligated amounts of such allocations equal to the value of orders placed with the military departments against such allocations shall be reserved and shall remain available during the two succeeding fiscal years for making such reimbursements (except in case of funds obligated directly against such allocations) only upon the basis of materials delivered and services rendered: *Provided*, That reports of items to be delivered against funds reserved as provided herein shall be furnished quarterly by the Secretary of Defense to the Committees on Appropriations of the Senate and the House of Representatives and, not less often than once each quarter, said Secretary shall make a detailed report to the Committees on Appropriations of the Senate and the House of Representatives, on a delivery or service-rendered basis, on all military assistance funds allocated and available to the Department of Defense as of the end of the preceding quarter: *Provided further*, That no reimbursements for materials or services shall be made after June 30, 1955, until the value of materials delivered and services performed shall equal the amount of expenditures made from all appropriations herein and heretofore made for military assistance as of said date: *Provided, however*, That not to exceed \$302,000,000 of any reimbursement heretofore made by the Air Force to military assistance appropriations as of June 30, 1955, pursuant to the provisions of this section shall be considered null and void and materials and services of an equivalent amount shall be delivered or performed by the Air Force for military assistance purposes without reimbursements: *Provided further*, That in the event the President shall determine that supplies and equipment ordered against funds so allocated are required for the defense of the United States, the amount allocated for supplies and materials required for such purpose shall be

returned to the appropriation from which allocated: *Provided further*, That funds appropriated under the authority of the Mutual Security Act of 1954, as amended, for military assistance (including specified amounts of unobligated balances and funds consolidated with any such appropriation), amounts certified pursuant to section 1311 of the Supplemental Appropriation Act, 1955, and, where authorized by the President, funds made available to the Department of Defense under section 401 of the Mutual Security Act of 1954, as amended, shall be maintained in one account which shall be used for all transactions involving military assistance during the current fiscal year and no expenditure shall be made from such account except as may be within the limits of the sum of the amounts mentioned in this proviso: *Provided further*, That nothing in this Act shall be construed as making any appropriation or fund available for obligation after the end of the current fiscal year except as may be necessary for reimbursements authorized herein.

"Section 110 of the Act of September 3, 1954 (Public Law 778) is hereby repealed."

Section 110 of the Mutual Security Appropriation Act, 1955, contained comparable provisions relating to accounting procedures for military assistance funds.

## 6. Joint Resolution [Temporary Appropriations for 1959]

Partial Text of Public Law 85-472 [H. J. Res. 640], 72 Stat. 241, approved June 30, 1958

**JOINT RESOLUTION** Making temporary appropriations for the fiscal year 1959, providing for increased pay costs for the fiscal year 1958, and for other purposes.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of the Government, namely:

### TITLE I

#### TEMPORARY APPROPRIATIONS

\* \* \* \* \*

SEC. 101. (b) Such amounts as may be necessary for continuing projects or activities which were conducted in the fiscal year 1958 and listed in this subsection (1) at a rate for operations not in excess of the current rate or the rate provided for in the budget estimate, whichever is lower, or (2) if no budget estimate has been submitted prior to June 30, 1958, at the current rate, or (3) in the amount or at the rate specified herein:

Atomic Energy Commission;  
Export-Import Bank;  
Administration, Ryukyu Islands;  
Small Business Administration;  
Export Control, Department of Commerce;  
Corregidor-Bataan Memorial Commission;  
Boston National Historic Sites Commission;  
Civil War Centennial Commission;  
Lincoln Sesquicentennial Commission; and

Mutual Security programs,<sup>1</sup> \$200,000,000,<sup>2</sup> to be expended in accord with provisions of law applicable to such programs during the fiscal year 1958 and at a rate for any individual program not in excess of the current rate therefor: *Provided*, That administrative expenses for such programs shall not exceed the current rate.

\* \* \* \* \*

SEC. 102. Appropriations and funds made available and authority granted pursuant to this title shall remain available until (a) enactment into law of an appropriation for any project or activity provided for in this title, or (b) enactment of the applicable appropriation

<sup>1</sup> See Mutual Security Appropriation Act, 1959, sec. 106, page 69.

<sup>2</sup> Sec. 2 of Public Law 85-472, 72 Stat. 454, substituted "\$300,000,000" for "\$200,000,000".

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Act by both Houses without any provision for such project or activity, or (c) July 31, 1958,<sup>3</sup> whichever first occurs.

Sec. 103. Appropriations and funds made available and authority granted pursuant to this title may be used without regard to the time limitations set forth in subsection (d) (2) of section 3679, Revised Statutes,<sup>4</sup> and expenditures therefrom shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

Sec. 104. No appropriation or fund made available or authority granted pursuant to this title shall be used to initiate or resume any project or activity which was not being conducted during the fiscal year 1958. Appropriations made and authority granted pursuant to this title shall cover all obligations or expenditures incurred for any project or activity during the period for which funds or authority for such project or activity are available under this title.

<sup>3</sup> Public Law 85-572, 72 Stat. 454, substituted "August 31, 1958" for "July 31, 1958".

<sup>4</sup> U. S. C. § 665.

### 7. Supplemental Appropriation Act, 1953

Partial Text of Public Law 547, 82d Congress [H. R. 8370], 66 Stat. 637, approved July 15, 1952

#### CHAPTER XIV—GENERAL PROVISIONS

SEC. 1415. Foreign credits owed to or owned by the United States Treasury will not be available for expenditure by agencies of the United States after June 30, 1953, except as may be provided for annually in appropriation Acts and provisions for the utilization of such credits for purposes authorized by law are hereby authorized to be included in general appropriation Acts.

NOTE.—Executive Order 10488 of September 23, 1953, 18 F. R. 5699, authorizes the Secretary of the Treasury to issue regulations governing the purchase, custody, transfer or sale of foreign exchange by agencies of the United States. See also sec. 626 of the Department of Defense Appropriation Act, 1956, Public Law 157, 84th Congress, 69 Stat. 301, 319.

### 8. General Government Matters Appropriation Act, 1957

Partial Text of Public Law 48, 85th Congress, 1st Session [H. R. 5788], 71 Stat. 49, approved June 5, 1957

#### TITLE II—GENERAL PROVISIONS

SEC. 209. Pursuant to section 1415 of the Act of July 15, 1952 (66 Stat. 637)<sup>1</sup>, foreign credits (including currencies) owed to or owned by the United States may be used by Federal agencies for any purpose for which appropriations are made for the current fiscal year (including the carrying out of Acts requiring or authorizing the use of such credits) and for liquidation of obligations legally incurred against such credits prior to July 1, 1953, only when reimbursement therefor is made to the Treasury from applicable appropriations of the agency concerned: *Provided*, That such credits received as exchange allowances or proceeds of sales of personal property may be used in whole or part payment for acquisition of similar items, to the extent and in the manner authorized by law, without reimbursement

<sup>1</sup> For text, see above.

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to the Treasury: *Provided further*, That nothing in section 1415 of the Act of July 15, 1952, or in this section shall be construed to prevent the making of new or the carrying out of existing contracts, agreements, or executive agreements for periods in excess of one year, in any case where such contracts, agreements, or executive agreements for periods in excess of one year were permitted prior to the enactment of this Act under section 32 (b) (2) of the Surplus Property Act of 1944, as amended (50 U. S. C. App. 1641 (b) (2)), and the performance of all such contracts, agreements, or executive agreements shall be subject to the availability of appropriations for the purchase of credits as provided by law.

\* \* \* \* \*

### 9. Supplemental Appropriation Act, 1955

Partial Text of Public Law 663, 83d Congress [H. R. 9936], 68 Stat. 800, approved  
August 26, 1954

\* \* \* \* \*

#### CHAPTER XIII—GENERAL PROVISIONS

\* \* \* \* \*

SEC. 1311. (a) After the date of enactment hereof no amount shall be recorded as an obligation of the Government of the United States unless it is supported by documentary evidence of—

(1) a binding agreement in writing between the parties thereto, including Government agencies, in a manner and form and for a purpose authorized by law, executed before the expiration of the period of availability for obligation of the appropriation or fund concerned for specific goods to be delivered, real property to be purchased or leased, or work or services to be performed; or

(2) a valid loan agreement, showing the amount of the loan to be made and the terms of repayment thereof; or

(3) an order required by law to be placed with a Government agency; or

(4) an order issued pursuant to a law authorizing purchases without advertising when necessitated by public exigency or for perishable subsistence supplies or within specific monetary limitations; or

(5) a grant or subsidy payable (i) from appropriations made for payment of or contributions toward, sums required to be paid in specific amounts fixed by law or in accord with formulae prescribed by law, or (ii) pursuant to agreement authorized by, or plans approved in accord with and authorized by, law; or

(6) a liability which may result from pending litigation brought under authority of law; or

(7) employment or services of persons or expenses of travel in accord with law, and services performed by public utilities; or

(8) any other legal liability of the United States against an appropriation or fund legally available therefor.

(b) Not later than September 30 of each year, the head of each Federal agency shall report, as to each appropriation or fund under the control of such agency, the amount thereof remaining obligated but unexpended and the amount thereof remaining unobligated on June 30 of such year and copies of such report shall be forwarded by him to the chairman of the Committees on Appropriations of the Senate and the House of Representatives, to the Comptroller General of the United States, and to the Director of the Bureau of the Budget: *Provided*, That such report for the fiscal year ending June

30, 1954, shall be made not later than December 31, 1954, and shall include only such obligations as could have been recorded under the provisions of subsection (a) hereof.

(c) Each report made pursuant to subsection (b) shall be supported by certifications of the officials designated by the head of the agency, and such certifications shall be supported by records evidencing the amounts which are reported therein as having been obligated. Such certifications and records shall be retained in the agency in such form as to facilitate audit and reconciliation for such period as may be necessary for such purposes. The officials designated by the head of the agency to make certifications may not redelegate the responsibility.

(d) No appropriation or fund which is limited for obligation purposes to a definite period of time shall be available for expenditure after the expiration of such period except for liquidation of amounts obligated in accord with subsection (a) hereof; but no such appropriation or fund shall remain available for expenditure for any period beyond that otherwise authorized by law.

(e) Any statement of obligation of funds furnished by any agency of the Government to the Congress or any committee thereof shall include only such amounts as may be valid obligations as defined in subsection (a) hereof.

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## 10. Mutual Defense Assistance Control Act of 1951 (Battle Act)

**Text of Mutual Defense Assistance Control Act of 1951, Public Law 213, 82d Congress [H. R. 4550], 65 Stat. 644, approved October 26, 1951**

**AN ACT To provide for the control by the United States and cooperating foreign nations of exports to any nation or combination of nations threatening the security of the United States, including the Union of Soviet Socialist Republics and all countries under its domination, and for other purposes.**

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Mutual Defense Assistance Control Act of 1951."<sup>1</sup>*

### TITLE I—WAR MATERIALS

**SEC. 101.<sup>2</sup>** The Congress of the United States, recognizing that in a world threatened by aggression the United States can best preserve and maintain peace by developing maximum national strength and by utilizing all of its resources in cooperation with other free nations, hereby declares it to be the policy of the United States to apply an embargo on the shipments of arms, ammunition, and implements of war, atomic energy materials, petroleum, transportation materials of strategic value, and items of primary strategic significance used in the production of arms, ammunition, and implements of war to any nation or combination of nations threatening the security of the United States, including the Union of Soviet Socialist Republics and all countries under its domination, in order to (1) increase the national strength of the United States and of the cooperating nations; (2) impede the ability of nations threatening the security of the United States to conduct military operations; and (3) to assist the people of the nations under the domination of foreign aggressors to reestablish their freedom.

It is further declared to be the policy of the United States that no military, economic, or financial assistance shall be supplied to any nation unless it applies an embargo on such shipments to any nation or combination of nations threatening the security of the United States, including the Union of Soviet Socialist Republics and all countries under its domination.

This Act shall be administered in such a way as to bring about the fullest support for any resolution of the General Assembly of the United Nations, supported by the United States, to prevent the shipment of certain commodities to areas under the control of governments engaged in hostilities in defiance of the United Nations.

**SEC. 102.<sup>3</sup>** Responsibility for giving effect to the purposes of this Act shall be vested in the person occupying the senior position authorized by subsection (e) of section 406 of the Mutual Defense Assistance

<sup>1</sup> 22 U. S. C. § 1611 note.

<sup>2</sup> 22 U. S. C. § 1611.

<sup>3</sup> 22 U. S. C. § 1611a.

Act of 1949, as amended, or in any person who may hereafter be charged with principal responsibility for the administration of the provisions of the Mutual Defense Assistance Act of 1949. Such person is hereinafter referred to as the "Administrator."

NOTE.—Section 2 (b) of Reorganization Plan No. 7 of 1953 (see page 86) transferred to the Director of the Foreign Operations Administration all functions vested by the Mutual Defense Assistance Control Act of 1951 in the Administrator created by that Act. See also Executive Order No. 10575, as amended, section 101 (a), page 98. Subsequently, the functions under the Act were transferred to the Secretary of State by section 101 of Executive Order No. 10610, page 106. The Secretary of State then redelegated his authority—see Department of State Delegation of Authority No. 85, as amended (page 111)—to the Director of the International Cooperation Administration but provided that the Director shall carry out the functions "under the direction and control of the Secretary of State."

SEC. 103.<sup>4</sup> (a) The Administrator is hereby authorized and directed to determine within thirty days after enactment of this Act after full and complete consideration of the views of the Departments of State, Defense, and Commerce; the Economic Cooperation Administration; and any other appropriate agencies, and notwithstanding the provisions of any other law, which items are, for the purpose of this Act, arms, ammunition, and implements of war, atomic energy materials, petroleum, transportation materials of strategic value, and those items of primary strategic significance used in the production of arms, ammunition, and implements of war which should be embargoed to effectuate the purposes of this Act: *Provided*, That such determinations shall be continuously adjusted to current conditions on the basis of investigation and consultation, and that all nations receiving United States military, economic, or financial assistance shall be kept informed of such determinations.

(b) All military, economic, or financial assistance to any nation shall, upon the recommendation of the Administrator, be terminated forthwith if such nation after sixty days from the date of a determination under section 103 (a) knowingly permits the shipment to any nation or combination of nations threatening the security of the United States, including the Union of Soviet Socialist Republics and all countries under its domination, of any item which he has determined under section 103 (a) after a full and complete investigation to be included in any of the following categories: Arms, ammunition, and implements of war, atomic energy materials, petroleum, transportation materials of strategic value, and items of primary strategic significance used in the production of arms, ammunition, and implements of war: *Provided*, That the President, after receiving the advice of the Administrator and after taking into account the contribution of such country to the mutual security of the free world,

<sup>4</sup> 22 U. S. C. § 1611b.

the importance of such assistance to the security of the United States, the strategic importance of imports received from countries of the Soviet bloc, and the adequacy of such country's controls over the export to the Soviet bloc of items of strategic importance, may direct the continuance of such assistance to a country which permits shipments of items other than arms, ammunition, implements of war, and atomic energy materials when unusual circumstances indicate that the cessation of aid would clearly be detrimental to the security of the United States: *Provided further*, That the President shall immediately report any determination made pursuant to the first proviso of this section with reasons therefor to the Appropriations and Armed Services Committees of the Senate and of the House of Representatives, the Committee on Foreign Relations of the Senate, and the Committee on Foreign Affairs of the House of Representatives, and the President shall at least once each quarter review all determinations made previously and shall report his conclusions to the foregoing committees of the House and Senate, which reports shall contain an analysis of the trade with the Soviet bloc of countries for which determinations have been made.

SEC. 104.<sup>6</sup> Whenever military, economic, or financial assistance has been terminated as provided in this Act, such assistance can be resumed only upon determination by the President that adequate measures have been taken by the nation concerned to assure full compliance with the provisions of this Act.

SEC. 105.<sup>7</sup> For the purpose of this Act the term "assistance" does not include activities carried on for the purpose of facilitating the procurement of materials in which the United States is deficient.

## TITLE II—OTHER MATERIALS

SEC. 201.<sup>7</sup> The Congress of the United States further declares it to be the policy of the United States to regulate the export of commodities other than those specified in title I of this Act to any nation or combination of nations threatening the security of the United States, including the Union of Soviet Socialist Republics and all countries under its domination, in order to strengthen the United States and other cooperating nations of the free world and to oppose and offset by nonmilitary action acts which threaten the security of the United States and the peace of the world.

SEC. 202.<sup>8</sup> The United States shall negotiate with any country receiving military, economic, or financial assistance arrangements for the recipient country to undertake a program for controlling exports of items not subject to embargo under title I of this Act, but which in the judgment of the Administrator should be controlled to any nation or combination of nations threatening the security of the United States, including the Union of Soviet Socialist Republics and all countries under its domination.

<sup>6</sup> 22 U. S. C. § 1611c.  
<sup>7</sup> 22 U. S. C. § 1611d.  
<sup>7</sup> 22 U. S. C. § 1612.  
<sup>8</sup> 22 U. S. C. § 1612a.

SEC. 203.<sup>9</sup> All military, economic, and financial assistance shall be terminated when the President determines that the recipient country (1) is not effectively cooperating with the United States pursuant to this title, or (2) is failing to furnish to the United States information sufficient for the President to determine that the recipient country is effectively cooperating with the United States.

### TITLE III—GENERAL PROVISIONS

SEC. 301.<sup>10</sup> All other nations (those not receiving United States military, economic, or financial assistance) shall be invited by the President to cooperate jointly in a group or groups or on an individual basis in controlling the export of the commodities referred to in title I and title II of this Act to any nation or combination of nations threatening the security of the United States, including the Union of Soviet Socialist Republics and all countries under its domination.

SEC. 302.<sup>11</sup> The Administrator with regard to all titles of this Act shall—

(a) coordinate those activities of the various United States departments and agencies which are concerned with security controls over exports from other countries;

(b) make a continuing study of the administration of export control measures undertaken by foreign governments in accordance with the provisions of this Act, and shall report to the Congress from time to time but not less than once every six months recommending action where appropriate; and

(c) make available technical advice and assistance on export control procedures to any nation desiring such cooperation.

SEC. 303.<sup>12</sup> The provisions of subsection (a) of section 403, of section 404, and of subsections (c) and (d) of section 406 of the Mutual Defense Assistance Act of 1949 (Public Law 329, 81st Congress) as amended, insofar as they are consistent with this Act, shall be applicable to this Act. Funds made available for the Mutual Defense Assistance Act of 1949, as amended, shall be available for carrying out this Act in such amounts as the President shall direct.<sup>13</sup>

SEC. 304.<sup>14</sup> In every recipient country where local currency is made available for local currency expenses of the United States in connection with assistance furnished by the United States, the local currency administrative and operating expenses incurred in the administration of this Act shall be charged to such local currency funds to the event available.

<sup>9</sup> 22 U. S. C. § 1612b.

<sup>10</sup> 22 U. S. C. § 1613.

<sup>11</sup> 22 U. S. C. § 1613a.

<sup>12</sup> 22 U. S. C. § 1613b.

<sup>13</sup> Sec. 410 of the Mutual Security Act of 1954, as amended, provides: "Control Act Expenses. There is hereby authorized to be appropriated to the President for the fiscal year 1959 not to exceed \$1,000,000 for carrying out the objectives of the Mutual Defense Assistance Control Act of 1951 (22 U. S. C. 1611). In addition, in accordance with section 303 of that Act, funds made available for carrying out chapter 1 of this Act shall be available for carrying out the purpose of this section in such amounts as the President may direct." Mutual Security Appropriation Act, 1959 (page 68), appropriated \$1,000,000 for this purpose. The Mutual Defense Assistance Act of 1949, as amended, was repealed by sec. 542 of the Mutual Security Act of 1954, as amended (page 58).

<sup>14</sup> 22 U. S. C. § 1613c.

SEC. 305. Subsection (d) of section 117 of the Foreign Assistance Act of 1948 (Public Law 472, Eightieth Congress), as amended, and subsection (a) of section 1302 of the Third Supplemental Appropriation Act, 1951 (Public Law 45, 82d Congress),<sup>16</sup> are repealed.

<sup>16</sup> Sec. 1302 (a) of the Third Supplemental Appropriation Act, 1951, known as the Kem Amendment, Public Law 45, 82d Cong., 65 Stat. 62, approved June 2, 1951, provided:

"During any period in which the Armed Forces of the United States are actively engaged in hostilities while carrying out any decision of the Security Council of the United Nations, no economic or financial assistance shall be provided, out of any funds appropriated to carry out the purposes of the Economic Cooperation Act of 1948, as amended, or any other Act to provide economic or financial assistance (other than military assistance) to foreign countries, to any country which exports or knowingly permits the exportation of, to the Union of Soviet Socialist Republics or any of its satellite countries (including Communist China and Communist North Korea) arms, or armaments or military materiel or articles or commodities which the Secretary of Defense shall have certified to the Administrator for Economic Cooperation may be used in the manufacture of arms, armaments, or military materiel, or shipment of which to the Soviet bloc is embargoed by the United States in the interest of national security; and the Secretary of Defense is hereby authorized and directed to so certify to the Administrator for Economic Cooperation any article or commodity of the nature or class described: *Provided*, That after the 15th day following the date of enactment of this Act and prior to the termination of the period heretofore referred to no country shall be eligible for economic or financial assistance under any such Act unless within thirty days prior to the date on which such assistance is to be provided such country shall have certified to the United States that it has not, subsequent to the 15th day following the date of enactment of this Act, exported, or knowingly permitted the exportation of, arms, armaments, military material, articles, or commodities which are subject to the foregoing provisions of this section, to any of the countries referred to in such provision: *Provided, further*, That such certification shall not relieve the Administrator for Economic Cooperation or any other officer of the United States Government of responsibility for enforcing the foregoing provisions of this section: *Provided, further*, That exceptions to these provisions may be made upon an official determination of the National Security Council that such exception is in the security interest of the United States: *Provided, further*, That the National Security Council shall immediately report any exception made with reasons therefor to the Appropriations and Armed Services Committees of the Senate and of the House of Representatives, the Committee on Foreign Relations of the Senate, and the Committee on Foreign Affairs of the House of Representatives, and the National Security Council shall at least once each quarter review all exceptions made previously and shall report its determination to the foregoing committees of the House and Senate, which reports shall contain an analysis of the trade with the Soviet bloc of countries for which an exception is made."

Subsec. (b) of sec. 1302 of the Third Supplemental Appropriations Act, 1951, repealed sec. 1304 of the Supplemental Appropriation Act, 1951, Public Law 843, 81st Cong., approved Sept. 27, 1950, 64 Stat. 1060, 22 U. S. C. § 1523, which had provided:

"During any period in which the Armed Forces of the United States are actively engaged in hostilities while carrying out any decision of the Security Council of the United Nations, no economic or financial assistance shall be provided, out of any funds appropriated to carry out the purposes of the Economic Cooperation Act of 1948, as amended, or any other act to provide economic or financial assistance (other than military assistance) to foreign countries, to any country whose trade with the Union of Soviet Socialist Republics or any of its satellite countries (including Communist China and Communist North Korea) is found by the National Security Council to be contrary to the security interests of the United States."

## 11. Section 4 of the Bretton Woods Agreement Act

(22 U. S. C. 286b)

### INTERNATIONAL MONETARY FUND AND BANK FOR RECONSTRUCTION AND REHABILITATION

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#### SEC. 286b. NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS; COMPOSITION; DUTIES, REPORTS BY COUNCIL; REPORTS TO COUNCIL

(a) In order to coordinate the policies and operations of the representatives of the United States on the Fund and the Bank and of all agencies of the Government which make or participate in making foreign loans or which engage in foreign financial, exchange or monetary transactions, there is established the National Advisory Council on International Monetary and Financial Problems (hereinafter referred to as the "Council"), consisting of the Secretary of the Treasury, as Chairman, the Secretary of State, the Secretary of Commerce, the Chairman of the Board of Governors of the Federal Reserve System, the Chairman of the Board of Directors of the Export-Import Bank of Washington, and during such period as the Mutual Security Agency shall continue to exist, the Director for Mutual Security.

(b) (1) The Council, after consultation with the representatives of the United States on the Fund and the Bank, shall recommend to the President general policy directives for the guidance of the representatives of the United States on the Fund and the Bank.

(2) The Council shall advise and consult with the President and the representatives of the United States on the Fund and the Bank on major problems arising in the administration of the Fund and the Bank.

(3) The Council shall coordinate, by consultation or otherwise, so far as is practicable, the policies and operations of the representatives of the United States on the Fund and the Bank, the Export-Import Bank of Washington and all other agencies of the Government to the extent that they make or participate in the making of foreign loans or engage in foreign financial, exchange or monetary transactions.

(4) Whenever, under the Articles of Agreement of the Fund or the Articles of Agreement of the Bank, the approval, consent or agreement of the United States is required before an act may be done by the respective institutions, the decision as to whether such approval, consent, or agreement, shall be given or refused shall (to the extent such decision is not prohibited by section 286c of this title) be made by the Council, under the general direction of the President. No governor, executive director, or alternate representing the United States shall vote in favor of any waiver of condition under article V, section 4, or

in favor of any declaration of the United States dollar as a scarce currency under article VII, section 3, of the Articles of Agreement of the Fund, without prior approval of the Council.

(5) The Council from time to time, but not less frequently than every six months, shall transmit to the President and to the Congress a report with respect to the participation of the United States in the Fund and the Bank.

(6) The Council shall also transmit to the President and to the Congress special reports on the operations and policies of the Fund and the Bank, as provided in this paragraph. The first report shall be made not later than two years after the establishment of the Fund and the Bank, and a report shall be made every two years after the making of the first report. Each such report shall cover and include: The extent to which the Fund and the Bank have achieved the purposes for which they were established; the extent to which the operations and policies of the Fund and the Bank have adhered to, or departed from, the general policy directives formulated by the Council, and the Council's recommendations in connection therewith; the extent to which the operations and policies of the Fund and the Bank have been coordinated, and the Council's recommendations in connection therewith; recommendations on whether the resources of the Fund and the Bank should be increased or decreased; recommendations as to how the Fund and the Bank may be made more effective; recommendations on any other necessary or desirable changes in the Articles of Agreement of the Fund and of the Bank or in this subchapter; and an over-all appraisal of the extent to which the operations and policies of the Fund and the Bank have served, and in the future may be expected to serve, the interests of the United States and the world in promoting sound international economic cooperation and furthering world security.

(7) The Council shall make such reports and recommendations to the President as he may from time to time request, or as the Council may consider necessary to more effectively or efficiently accomplish the purposes of sections 286 to 286k-1 of this title or the purposes for which the Council is created.

(c) The representatives of the United States on the Fund and the Bank, and the Export-Import Bank of Washington (and all other agencies of the Government to the extent that they make or participate in the making of foreign loans or engage in foreign financial, exchange or monetary transactions) shall keep the Council fully informed of their activities and shall provide the Council with such further information or data in their possession as the Council may deem necessary to the appropriate discharge of its responsibilities under sections 286 to 286k-1 of this title. July 31, 1945, c. 339, § 4, 59 Stat. 512; Apr. 3, 1948, c. 169, Title I, § 106, 62 Stat. 141; Oct. 10, 1951, c. 479, Title V, § 501 (e) (2), 65 Stat. 378.

## 12. Reorganization Plan No. 7 of 1953

Prepared by the President and transmitted to the Senate and House of Representatives in Congress assembled, June 1, 1953, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949, as amended. Effective August 1, 1953, under the provisions of section 6 of the act; published pursuant to section 11 of the act (63 Stat. 203; 5 U. S. C. Sup. 133z), 18 F. R. 4541.

### FOREIGN OPERATIONS ADMINISTRATION

SECTION 1. *Establishment of Foreign Operations Administration.*  
(a) There is hereby established a new agency which shall be known as the Foreign Operations Administration, hereinafter referred to as the "Administration."

NOTE.—Pursuant to sections 503 (b), 521 and 525 of the Mutual Security Act of 1954, as amended, Executive Order No. 10610 (p. 106), abolished the Foreign Operations Administration effective June 30, 1955, and transferred its functions and offices to the Department of State and the Department of Defense. As specified by Executive Order 10610, State Department Delegation of Authority No. 85 (p. 111) established within the State Department a semi-autonomous agency—the International Cooperation Administration. The State Department order, under conditions therein specified, delegated to the Director of the International Cooperation Administration the functions transferred to the State Department.

(b) There shall be at the head of the Administration a Director of the Foreign Operations Administration,<sup>1</sup> hereinafter referred to as the "Director." The Director shall be appointed by the President by and with the advice and consent of the Senate and shall receive compensation at the rate of \$22,500 a year. The Secretary of State shall advise with the President concerning the appointment and tenure of the Director.

(c) There shall be in the Administration a Deputy Director of the Foreign Operations Administration,<sup>2</sup> who shall be appointed by the President by and with the advice and consent of the Senate, and who shall receive compensation at the rate of \$15,000<sup>3</sup> a year. The Deputy Director shall perform such functions as the Director shall from time to time designate, and shall act as Director during the absence or

<sup>1</sup> The position of Director of the Foreign Operations Administration was abolished by sec. 303 (a) of Executive Order 10610, page 108.

<sup>2</sup> The position of Deputy Director of the Foreign Operations Administration was changed to Director of the International Cooperation Administration by sec. 103 (b) of Executive Order 10610, page 107.

<sup>3</sup> The salary of the position of Director of the International Cooperation Administration was set at \$21,000 pursuant to sec. 104 (a) (8) of the Federal Executive Pay Act, 1956, Public Law 854, 84th Cong., 2d sess.

disability of the Director or in the event of a vacancy in the office of Director.

(d) There are hereby established in the Administration six new offices with such title or titles as the Director shall from time to time determine. Appointment thereto shall be by the President, by and with the advice and consent of the Senate. The compensation for each of two of the said offices shall be at the rate of \$16,000 a year and the compensation for each of the other four offices shall be at the rate of \$15,000 a year.<sup>4</sup> The persons appointed to the said new offices shall perform such functions as the Director shall from time to time designate, and are authorized to act as Director, as the Director may designate, during the absence or disability of the Director and the Deputy Director or in the event of vacancies in the offices of Director and Deputy Director.

SEC. 2. *Transfer of functions to the Director.* There are hereby transferred to the Director:

(a) All functions vested by the Mutual Security Act of 1951, as amended, or by any other statute in the Director for Mutual Security provided for in section 501 of that Act, or in the Mutual Security Agency created by that Act, or in any official or office of that Agency, including the functions of the Director for Mutual Security as a member of the National Security Council.

(b) All functions vested by the Mutual Defense Assistance Control Act of 1951 in the Administrator created by that Act.

(c) The functions vested by section 6 of the Yugoslav Emergency Relief Assistance Act of 1950 in the Secretary of State.

SEC. 3. *Institute of Inter-American Affairs.* The Institute of Inter-American Affairs, together with its functions, is hereby transferred to the Administration. All functions vested by the Institute of Inter-American Affairs Act in the Secretary of State are hereby transferred to the Director. Functions with respect to serving as employees of the said Institute or as members of the board of directors thereof, including eligibility, as the case may be, to be detailed as such employees or to serve as such members, are hereby transferred from the officials and employees of the Department of State to the officials and employees of the Administration. The Institute shall be administered subject to the direction and control of the Director.

SEC. 4. *National Advisory Council.* The Director shall be a member of the National Advisory Council on International Monetary and Financial Problems (22 U. S. C. 286b).

SEC. 5. *Performance of functions transferred to the Director.* The Director may from time to time make such provisions as he shall deem appropriate authorizing the performance by another officer or by any employee or organizational entity, of the Administration, of any function of the Director, except the function of being a member of the National Security Council and the function of being a member of the National Advisory Council on International Monetary and Financial Problems.

<sup>4</sup> The salary rates established for these offices were changed pursuant to sec. 111 of the Federal Executive Pay Act, 1956, Public Law 854, 84th Cong., 2d sess. It provides as follows: "The annual compensation for each of the offices established by section 1 (d) of Reorganization Plan Numbered 7 of 1953, effective August 1, 1953 (67 Stat. 639), shall be established by the Secretary of State at a rate not more than \$19,000."

SEC. 6. *Transfer of functions to the President.* All functions vested in the Secretary of State by the United Nations Palestine Refugee Aid Act of 1950 are hereby transferred to the President.

SEC. 7. *Incidental transfers.* (a) Personnel, property, records, and unexpended balances of appropriations, allocations, and in other funds, employed, used, held, available, or to be made available in connection with functions transferred or vested by this reorganization plan shall be transferred, at such time or times as the Director of the Bureau of the Budget shall direct, as follows:

(1) So much of those relating to functions transferred to or vested in the Director or the Administration as the Director of the Bureau of the Budget shall determine shall be transferred to the Administration.

(2) Those of the Institute of Inter-American Affairs shall be transferred along with the Institute.

(3) So much of those relating to the functions transferred by section 6 hereof as the Director of the Bureau of the Budget shall determine shall be transferred to the agency or agencies of the Government to which the President delegates the said functions.

(b) Such further measures and dispositions as the Director of the Bureau of the Budget shall deem to be necessary in order to effectuate the transfers provided for in subsection (a) of this section shall be carried out in such manner as he shall direct and by such agencies as he shall designate.

SEC. 8. *Abolutions.* (a) There are hereby abolished:

(1) The offices of Director for Mutual Security and Deputy Director for Mutual Security, provided for in sections 501 and 504, respectively, of the Mutual Security Act of 1951, as amended (including the organization in the Executive Office of the President known as the Office of the Director for Mutual Security).

(2) The Mutual Security Agency.

(3) The title of Administrator provided for in the Mutual Defense Assistance Control Act.

(4) The four positions provided for in section 406 (e) of the Mutual Defense Assistance Act of 1949, as amended.

(5) The offices of Administrator and Deputy Administrator for Technical Cooperation, provided for in section 413 (a) of the Act for International Development, as amended, together with the functions vested in the Administrator by the said section 413 (a), as amended.

(6) The offices of the Special Representative in Europe and Deputy Special Representative in Europe, provided for in section 504 (a) of the Mutual Security Act of 1951, as amended. The abolition of the said offices of Representatives, and Deputy Representative shall become effective on September 1, 1953 (unless a later date is required by the provisions of section 6 (a) of the Reorganization Act of 1949, as amended).

(b) The Director shall wind up any outstanding affairs of the aforesaid abolished agencies and offices not otherwise provided for in this reorganization plan.

SEC. 9. *Interim provisions.* The President may authorize the persons who, immediately prior to the effective date of this reorganization plan, hold offices or occupy positions abolished by section 8 hereof to hold offices and occupy positions under section 1 hereof until the latter offices and positions are filled pursuant to the provisions of the

said section 1 or by recess appointment, as the case may be, but in no event for any period extending more than 60 days after the said effective date, as follows:

(a) The Director and Deputy Director for Mutual Security as the Director and Deputy Director of the Foreign Operations Administration, respectively.

(b) The Administrator for Technical Cooperation and the person occupying the senior position provided for in section 406 (e) of the Mutual Defense Assistance Act of 1949, as amended, to serve in the two senior positions created by section 1 (d) thereof.

(c) The Deputy Administrator for Technical Cooperation and the persons occupying the three positions provided for in section 406 (e) of the Mutual Defense Assistance Act of 1949, as amended, to serve in the four positions created by section 1 (d) hereof which have compensation at the rate of \$15,000 a year.

### 13. Reorganization Plan No. 8 of 1953 (Partial Text)

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, June 1, 1953, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949, as amended. Effective August 1, 1953, under the provisions of section 6 of the act; published pursuant to section 11 of the act (63 Stat. 203; 5 U. S. C. Sup. 133z), 18 F. R. 4542.

#### UNITED STATES INFORMATION AGENCY

SECTION 1. *Establishment of agency.*—(a) There is hereby established a new agency which shall be known as the United States Information Agency, hereinafter referred to as the "Agency."

\* \* \* \* \*

#### SEC. 2. *Transfer of functions.*—

\* \* \* \* \*

(b) Exclusive of so much thereof as is an integral part of economic or technical assistance programs, without regard to any inconsistent provisions of Reorganization Plan No. 7 of 1953, and subject to subsection (c) of this section, functions with respect to foreign information programs vested by the Mutual Security Act of 1951, as amended, in the Director for Mutual Security provided for in section 501 of the said Act are hereby transferred to the Director.

(c) (1) The Secretary of State shall direct the policy and control the content of a program, for use abroad, on official United States positions, including interpretations of current events, identified as official positions by an exclusive descriptive label.

(2) The Secretary of State shall continue to provide to the Director on a current basis full guidance concerning the foreign policy of the United States.

(3) Nothing herein shall affect the functions of the Secretary of State with respect to conducting negotiations with other governments.

(d) To the extent the President deems it necessary in order to carry out the functions transferred by the foregoing provisions of this section, he may authorize the Director to exercise, in relation to the respective functions so transferred, any authority or part thereof available by law, including appropriation acts, to the Secretary of State, the Director for Mutual Security, or the Director of the Foreign Operations Administration, in respect of the said transferred functions.

\* \* \* \* \*

#### 14. Institute of Inter-American Affairs Act

**Text of Public Law 369, 80th Congress [H. R. 4168], 61 Stat. 780, approved August 5, 1947, as amended by Public Law 283, 81st Congress [S. 1250], 63 Stat. 685, approved September 3, 1949**

**AN ACT To provide for the reincorporation of The Institute of Inter-American Affairs and for other purposes.**

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there be, as of the date of enactment of this Act, created as an agency of the United States of America a body corporate with the name of "The Institute of Inter-American Affairs" (in this Act called the "Institute").<sup>1</sup>*

**NOTE.**—Section 3 of Reorganization Plan No. 7 of 1953 (see page 86) transferred the Institute of Inter-American Affairs together with its functions to the Foreign Operations Administration and directed that its administration should be subject to the direction of the Director of the Foreign Operations Administration. Pursuant to Executive Order 10610 (see page 106), the Foreign Operations Administration was abolished and, in accordance with section 102 (b) of the Order, the Institute, together with its functions, was transferred to the Department of State. Thereupon, the Department of State, in section 1 of Delegation of Authority No. 85 (page 111) directed that the Institute "shall be a part of or attached to the International Cooperation Administration."

**SEC. 2.<sup>2</sup>** The purposes of this corporation are to further the general welfare of, and to strengthen friendship and understanding among, the peoples of the American Republics through collaboration with other governments and governmental agencies of the American Republics in planning, initiating, assisting, financing, administering, and executing technical programs and projects, especially in the fields of public health, sanitation, agriculture, and education.

**SEC. 3.<sup>3</sup>** The Institute, as a corporation—

<sup>1</sup> 22 U. S. C. § 281.  
<sup>2</sup> 22 U. S. C. § 281a.  
<sup>3</sup> 22 U. S. C. § 281b.

(a) Shall have succession for a period of three years unless sooner dissolved by an Act of Congress.

NOTE<sup>4</sup>—Section 544 (a) of the Mutual Security Act of 1954, as amended, provides:

“ \* \* \* The Institute of Inter-American Affairs, created pursuant to Public Law 369, Eightieth Congress (22 U. S. C. 281), shall have succession until June 30, 1960, and may make contracts for periods not to exceed five years: *Provided*, That any contract extending beyond June 30, 1960, shall be made subject to termination by the said Institute upon notice. \* \* \*”

(b) May adopt, alter, and use a corporate seal, which shall be judicially noticed.

(c) May make and perform contracts with any individual, corporation, or other body of persons however designated, whether within or without the United States of America, and with any government or governmental agency, domestic or foreign.

(d) Shall determine and prescribe the manner in which its obligations shall be incurred and its expenses allowed and paid.

(e) May, as necessary for the transaction of the business of the Institute, employ officers, employees, agents, and attorneys in accordance with the provisions of the civil service and classification laws, except that the Institute may, without regard to the civil service and classification laws, employ, and fix the compensation of officers, employees, agents, and attorneys of the Institute employed for service outside the continental limits of the United States: *Provided*, That the salary of any person thus employed shall not exceed the maximum salary established by the classification laws, and that the Institute may require bonds of any employee and pay the premiums of such bonds: *Provided further*, That no person who is a citizen of the United States not presently employed by the Institute of Inter-American Affairs or the Inter-American Educational Foundation, Inc., shall be employed under authority of this paragraph (e) until such person has been investigated by the Civil Service Commission<sup>5</sup>: *Provided further*, That no person not a citizen of the United States shall be employed under authority of this paragraph (e) for service in any American Republic of which such person is not a citizen except with the specific approval of the Government of the American Republic concerned.

(f) May acquire by purchase, devise, bequest, or gift, or otherwise, lease, hold, and improve such real and personal property as it finds to be necessary to its purposes, whether within or without the United States, and in any manner dispose of all such real and personal property held by it and use as general funds all receipts arising from the disposition of such property.

(g) Shall be entitled to the use of the United States mails in the same manner and on the same conditions as the executive departments of the Government.

<sup>4</sup> Sec. 544 (b) of the Mutual Security Act of 1954 repealed sec. 1 of Public Law 283, 81st Cong. (63 Stat. 685), which had extended the Institute until June 30, 1955.

<sup>5</sup> Public Law 298, 82d Cong. (66 Stat. 44), substituted the Civil Service Commission for the Federal Bureau of Investigation as the primary investigating agency but retained certain investigating provisions for the Federal Bureau of Investigation.

(h) May, with the consent of any board, corporation, commission, independent establishment, or executive department of the Government, including any field service thereof, avail itself of the use of information, services, facilities, officers, and employees thereof in carrying out the provisions of this Act.

(i) May accept money, funds, property, and services of every kind by gift, devise or bequest, or grant, or otherwise, and make advances and grants to any individual, corporation, or other body of persons, whether within or without the United States of America, or to any government or governmental agency, domestic or foreign, when deemed advisable by the Institute in furtherance of its purposes.

(j) May sue and be sued, complain, and defend, in its corporate name in any court of competent jurisdiction.

(k) Shall have such other powers as may be necessary and incident to carrying out its powers and duties under this Act.

Sec. 4.<sup>6</sup> Upon termination of the corporate life of the Institute all of its functions shall be liquidated and, thereafter, unless otherwise provided by Congress, the assets shall be transferred to the United States Treasury as the property of the United States.

Sec. 5.<sup>7</sup> (a) The management of the Institute shall be vested in a board of directors (hereinafter referred to as the "Board") of not less than five in number, each of whom shall be appointed by the Secretary of State from among the officials and employees of the Department of State and, in the discretion of the Secretary of State and with the consent of the Chiefs of other departments or agencies respectively concerned from among the officials and employees of other United States Government departments and agencies: *Provided*, That no person shall be appointed as a director under authority of this paragraph (a) until such person has been investigated by the Federal Bureau of Investigation.

(b) The Secretary of State shall designate one director as Chairman of the Board.

(c) The directors shall hold office at the pleasure of the Secretary of State.

(d) The directors shall receive no additional compensation for their services as directors but may be allowed actual necessary traveling and subsistence expenses incurred by them in the performance of their duties as directors.

(e) The Board shall direct the exercise of all the powers of the Institute.

(f) The Board may prescribe, amend, and repeal by-laws, rules, and regulations governing the manner in which the business of the Institute may be conducted and in which the powers granted to it by law may be exercised and enjoyed: *Provided*, That a majority of the Board shall be required as a quorum.

(g) In furtherance and not in limitation of the powers conferred upon it, the Board may appoint such committees for the carrying out of the work of the Institute as the Board finds to be for the best interests of the Institute, each committee to consist of two or more of the directors, which committees, together with officers and agents duly authorized by the Board and to the extent provided by the Board,

<sup>6</sup>22 U. S. C. § 281c.  
<sup>7</sup>22 U. S. C. § 281d.

shall have and may exercise the powers of the Board in the management of the business and affairs of the Institute.

NOTE.—Pursuant to section 3 of Reorganization Plan No. 7 (see page 86), section 101 of Executive Order No. 10610 (see page 106), and Department of State Delegation of Authority No. 85, as amended (see page 111), functions vested in the Secretary of State by the Institute of Inter-American Affairs Act and functions with respect to serving as members of the Institute's Board of Directors or as employees of the Institute are transferred, respectively, to the Director of the International Cooperation Administration and to the officials and employees of the International Cooperation Administration.

Sec. 6.<sup>8</sup> The Institute shall be a nonprofit corporation and shall have no capital stock. No part of its revenue, earnings, or other income or property shall inure to the benefit of its directors, officers, and employees and such revenue, earnings, or other income or property shall be used for the carrying out of the corporate purposes herein set forth. No director, officer, or employee of the corporation shall in any manner directly or indirectly participate in the deliberation upon or the determination of any question affecting his personal interests or the interests of any corporation, partnership, or organization in which he is directly or indirectly interested.

Sec. 7.<sup>9</sup> When approved by the Institute, in furtherance of its purposes, the officers and employees of the Institute may accept and hold offices or positions to which no compensation is attached with governments or governmental agencies of the other American Republics.

Sec. 8.<sup>10</sup> The Secretary of State shall have authority to detail employees of the Department of State to the Institute under such circumstances and upon such conditions as he may determine: *Provided*, That any such employee so detailed shall not lose any privileges, rights, or seniority as an employee of the Government by virtue of such detail.

Sec. 9.<sup>11</sup> The principal office of the Institute shall be located in the District of Columbia, but there may be established agencies, branch offices, or other offices in any place or places within the United States or the other American Republics in any of which locations the Institute may carry on all or any of its operations and business under by-laws or rules and regulations.

Sec. 10.<sup>12</sup> The Institute, including its franchise and income, shall be exempt from taxation now or hereafter imposed by the United States, or any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority.

Sec. 11.<sup>13</sup> The right to alter, amend, or repeal this Act is hereby expressly reserved. If any clause, sentence, paragraph, or part of this Act shall for any reason be adjudged by any court of competent

<sup>8</sup> 22 U. S. C. § 281e.  
<sup>9</sup> 22 U. S. C. § 281f.  
<sup>10</sup> 22 U. S. C. § 281g.  
<sup>11</sup> 22 U. S. C. § 281h.  
<sup>12</sup> 22 U. S. C. § 281i.  
<sup>13</sup> 22 U. S. C. § 281j.

jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this Act, but shall be confined in its operations to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered.

Sec. 12.<sup>14</sup> The Institute of Inter-American Affairs and the Inter-American Educational Foundation, Inc., two Government corporations caused to be created under the laws of the State of Delaware on March 31, 1942, and September 25, 1943, respectively, by the Coordinator of Inter-American Affairs, shall, within ten days following the enactment of this Act, transfer to the corporation created by this Act all necessary personnel, the assets, funds, and property—real, personal, and mixed—and all debts, liabilities, obligations, and duties, and all rights, privileges, and powers subject to all restrictions, disabilities, and duties of the two said corporations, and the corporation created by this Act, shall accept full title to and ownership of all the assets, funds, and property—real, personal, and mixed—and all debts, liabilities, obligations, and duties, and all rights, privileges, and powers subject to the said restrictions, disabilities, and duties of the two said corporations and all such debts, liabilities, obligations, and duties of the two said corporations shall henceforth attach to the corporation created by this Act and may be enforced against it to the same extent as if said debts, liabilities, obligations, and duties had been incurred or contracted by the corporation created by this Act: *Provided*, That all citizens of the United States presently employed by the Institute of Inter-American Affairs or the Inter-American Educational Foundation, Inc., and transferred under authority of this section 12 to the corporation created by this Act shall be investigated by the Federal Bureau of Investigation within six months following the date of enactment of this Act: *Provided further*, That no person not a citizen of the United States presently employed by the Institute of Inter-American Affairs or the Inter-American Educational Foundation, Inc., for service in an American Republic of which such person is not a citizen, and transferred under authority of this section 12, shall be retained in such service for a period exceeding three months from the date of enactment of this Act except with the specific approval of the government of the American Republic concerned.

Sec. 13. The Institute shall be subject to the provisions of the Government Corporation Control Act (Public Law 248, Seventy-ninth Congress).<sup>15</sup>

NOTE.—Section 544 (a) of the Mutual Security Act of 1954, as amended, provides that the Institute shall, on and after July 1, 1954, be subject to the applicable provisions of the Budget and Accounting Act, 1921, as amended (31 U. S. C. 1), in lieu of the provisions of the Government Corporation Control Act, as amended (31 U. S. C. 841).

<sup>14</sup> 22 U. S. C. § 281k.  
<sup>15</sup> 31 U. S. C. § 841 et seq.

Sec. 14.<sup>16</sup> There are authorized to be appropriated, at a rate not to exceed \$5,000,000 annually, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out this Act.

This Act may be cited as the "Institute of Inter-American Affairs Act."

<sup>16</sup> 22 U. S. C. § 281 note.

### 15. Defense Base Act, as amended

Section 502 (a) of the Mutual Security Act of 1958, Public Law 85-477 [H. R. 12181], 72 Stat. 261, approved June 30, 1958, amended the Defense Base Act, as amended (42 U. S. C. § 1651), by adding the following new subparagraph to subsection (a):

“§ 1651. COMPENSATION AUTHORIZED—(a) PLACES OF EMPLOYMENT.

\* \* \* \* \*

“(5) under a contract approved and financed by the United States or any executive department, independent establishment, or agency thereof (including any corporate instrumentality of the United States), or any subcontract or subordinate contract with respect to such contract, where such contract is to be performed outside the continental United States, under the Mutual Security Act of 1954, as amended (other than title II of chapter II thereof), and not otherwise within the coverage of this section, and every such contract shall contain provisions requiring that the contractor (and subcontractor or subordinate contractor with respect to such contract) (A) shall, before commencing performance of such contract, provide for securing to or on behalf of employees engaged in work under such contract the payment of compensation and other benefits under the provisions of this Act, and (B) shall maintain in full force and effect during the term of such contract, subcontract, or subordinate contract, or while employees are engaged in work performed thereunder, the said security for the payment of such compensation and benefits, but nothing in this paragraph shall be construed to apply to any employee of such contractor or subcontractor who is engaged exclusively in furnishing materials or supplies under his contract;”

Section 502 (a) (2) of the MSAct of 1958 amended subsection (e) of the above section by striking out “(3) or (4)” in the last sentence and substituting therefor “(3), (4), or (5)”.

Section 502 (a) (3) of the MSAct of 1958 amended subsection (f) of the above section by inserting “or in any work under subparagraph (5) subsection (a) of this section” between “this section” and “shall not apply”.

NOTE.—The Defense Base Act, as amended, was further amended by Title II of Public Law 85-608 [H. R. 12140], 72 Stat. 537, approved August 8, 1958.

#### 16. War Hazards Compensation Act, as amended

Section 502 (g) of the Mutual Security Act of 1958, Public Law 85-477 [H. R. 12181], 72 Stat. 261, approved June 30, 1958, amended section 101 (a) of the War Hazards Compensation Act, as amended (42 U. S. C. § 1701), by inserting the following new subparagraph (4) :

\* \* \* \* \*

"SEC. 101. (a) In case of injury or death resulting from injury—

\* \* \* \* \*

"(3) \* \* \* ; or

"(4) to any person who is an employee specified in section 1 (a) (5) of the Defense Base Act, as amended, if no compensation is payable with respect to such injury or death under such Act, or to any person engaged under a contract for his personal services outside the United States approved and financed by the United States under the Mutual Security Act of 1954, as amended (other than title II of chapter II thereof) : *Provided*, That in cases where the United States is not a formal party to contracts approved and financed under the Mutual Security Act of 1954, as amended, the Secretary, upon the recommendation of the head of any department or agency of the United States, may, in the exercise of his discretion, waive the application of the provisions of this subparagraph with respect to any such contracts, subcontracts, or subordinate contracts, work location under such contracts, subcontracts, or subordinate contracts, or classification of employees."

NOTE.—The War Hazards Compensation Act, as amended, was further amended by Title I of Public Law 85-608 [H. R. 12140], 72 Stat. 536, approved August 8, 1958.

## 17. Executive Order No. 10575, as amended

**Text of Executive Order No. 10575, November 6, 1954, 19 F. R. 7249, as amended by Executive Order No. 10625, August 2, 1955, 20 F. R. 5571, and Executive Order No. 10742, November 29, 1957, 22 F. R. 9689**

### ADMINISTRATION OF FOREIGN AID FUNCTIONS

By virtue of the authority vested in me by the Mutual Security Act of 1954 (68 Stat. 832), by section 301 of title 3 of the United States Code, and as President of the United States and Commander in Chief of the armed forces of the United States, it is hereby ordered as follows:

#### PART I. ASSIGNMENT OF FUNCTIONS AND FUNDS

SEC. 101. *Foreign Operations Administration.* (a) Exclusive of the functions otherwise delegated, or excluded from delegation, by this order, and subject to the provisions of this order, there are hereby delegated to the Director of the Foreign Operations Administration all functions conferred upon the President by the Mutual Security Act of 1954 (hereinafter referred to as the Act) and by the Mutual Defense Assistance Control Act of 1951 (65 Stat. 644; 22 U. S. C. 1611-1613c).

**NOTE.**—Pursuant to sections 503 (b), 521 and 525 of the Mutual Security Act of 1954, as amended, Executive Order No. 10610 (page 106) abolished the Foreign Operations Administration effective June 30, 1955, and transferred its functions and offices to the Department of State and the Department of Defense. As specified by Executive Order 10610, State Department Delegation of Authority No. 85 (page 111) established within the State Department a semi-autonomous agency—the International Cooperation Administration. The State Department order, under conditions therein specified, delegated to the Director of the International Cooperation Administration the functions transferred to the State Department.

(b) Subject to sections 103 and 107 (b) of this order, the Director of the Foreign Operations Administration shall administer sections 402 and 505<sup>1</sup> of the Act. In determining upon the furnishing of assistance on terms of repayment pursuant to<sup>1</sup> the Act, and upon the amounts and terms of such assistance, the Director of the Foreign Operations Administration shall consult with the National

<sup>1</sup> Sec. 1 (a) of Executive Order No. 10742 deleted from the first sentence the words "sections 402, 505, and 201 of the Act" and substituted the words "sections 402 and 505 of the Act"; deleted from the second sentence the words "sections 201 (a) and 505 of"; words "section 505 of the Act."

Advisory Council on International Monetary and Financial Problems in respect of policies relating to such assistance and terms. Whenever assistance on terms of repayment, under section 505 of the Act,<sup>1</sup> involves funds available under chapter 1 of Title I of the Act, the said Director shall consult with the Secretary of Defense with respect to the amounts and terms of such assistance. The Director of the Foreign Operations Administration shall also consult the said Council with respect to policies concerning the utilization of funds in the Special Account provided for in section 142 (b)<sup>2</sup> of the Act and concerning such other matters as are within the cognizance of the Council pursuant to section 4 of the Bretton Woods Agreements Act.<sup>3</sup>

(c) Pursuant to section 527 (c) (2) of the Act, it is directed that the authority made available to the Director of the United States Information Agency with respect to his functions by section 2 of Executive Order No. 10477 of August 1, 1953<sup>4</sup> (18 F. R. 4540), and by Executive Order No. 10522 of March 26, 1954<sup>5</sup> (19 F. R. 1689), subject to the provisions of law applicable in connection with such authority, may be utilized by the Director of the Foreign Operations Administration with respect to his functions.

(d) It is hereby directed that the Office of Small Business provided for in section 504 (b) of the Act shall be in the Foreign Operations Administration.

Sec. 102. *Department of Defense.* (a) Subject to the provisions of this order, there are hereby delegated to the Secretary of Defense:

(1) The functions conferred upon the President by chapter 1 of Title I of the Act, exclusive of (i) those so conferred by section 105 (b) (3) of the Act, (ii) so much of those so conferred by section 106 (b) of the Act as consists of determining that a nation or international organization may make available the fair value of equipment, materials, or services, sold thereto or rendered therefor, at a time or at times other than in advance of delivery of the equipment, materials, or services, and (iii) the functions reserved to the President by section 107 of this order.

(2) The functions conferred upon the President by sections 142 (a) (7) and 511 (c) of this Act.

(3) So much of the functions conferred upon the President by sections 142 (a) (10),<sup>6</sup> 511 (b), 527 (a), 528 and 529 (a) of the Act as relates to other functions under the Act administered by the Department of Defense.

(4) The functions conferred upon the President by section 124 of the Act, as amended. The determination of the value of the program for any country under that section shall be made by the Secretary of State.<sup>7</sup>

(5) The function conferred upon the President by the penultimate proviso of section 108 of the Mutual Security Appropriation Act, 1956.<sup>8</sup>

<sup>1</sup> See 1 (e) of Executive Order No. 10625 substituted "142 (b)" in lieu of the former "142 (11)".

<sup>2</sup> See text, page 83.

<sup>3</sup> See text, page 133.

<sup>4</sup> See text, page 136.

<sup>5</sup> The following changes were made by sec. 1 (e) of Executive Order No. 10625: "142 (a) (7)" was substituted for "142 (7)" in sec. 102 (a) (2) and "142 (a) (10)" was substituted for "142 (10)" in sec. 102 (a) (3).

<sup>6</sup> This subsection was added by sec. 1 (a) of Executive Order No. 10625.

<sup>7</sup> This subsection was added by sec. 1 (a) of Executive Order No. 10625.

(b) The Secretary of Defense is hereby designated to make, with respect to equipment or materials procured for military assistance, the determinations provided for in section 107 of the Mutual Security Appropriation Act, 1955 (68 Stat. 1224).

(c) The Secretary of Defense (1) shall exercise the responsibility and authority vested in him by the Act and the responsibility and authority delegated to him by this order subject to coordination by the Director of the Foreign Operations Administration, and (2) shall keep the Director of the Foreign Operations Administration fully and currently informed of all matters, including prospective action, relating to the utilization of funds under the Act, the establishment of priorities under section 524 (b) of the Act, and the furnishing of military items under chapter 1 of Title I of the Act.

Sec. 103. *Department of State.* (a) There are hereby delegated to the Secretary of State:

(1) The functions conferred upon the President by the laws referred to in section 101 (a) of this order with respect to negotiating and entering into international agreements.

(2) The functions conferred upon the President by sections 105 (b) (3), 202, 204,<sup>9</sup> 405 (a), 413 (b) (2) and (3), and 529 (b) and (c) of the Act.

(3) The functions conferred upon the President by section 504 (a) (2) of the Act so far as they may relate to countries in which the Foreign Operations Administration does not have missions or employees.

(4) So much of the functions conferred upon the President by section 535 (a) of the Act as consists of requesting the cooperation of the United Nations, its organs, and specialized agencies or other international organizations in carrying out the purposes of the Act.

(b) The functions conferred upon the President by section 414 of the Act are hereby delegated to the Secretary of State. In connection with the carrying out of the said functions the Secretary of State shall consult with appropriate agencies of the Government. The designation by the Secretary of State of articles which shall be considered as arms, ammunition, and implements of war, including technical data relating thereto, under the said section 414 shall require the concurrence of the Secretary of Defense.

(c) The Secretary of State shall be responsible (1) for making the United States contributions under the Act to, and formulating and presenting with the assistance of the Director of the Foreign Operations Administration the policy of the United States with respect to the assistance programs of, the international organizations referred to in sections 132 (c), 306, 405 (a) and (c), 406, and 407 of the Act, and (2) for making the United States contribution under section 408 of the Act to the North Atlantic Treaty Organization for the United States share of the expenses of the Organization.

(d) All functions under the Act and the other statutes referred to in sections 101 (a), 102 (b), and 105 (a) of this order, however vested, delegated, or assigned, shall be subject to the responsibilities of the Secretary of State with respect to the foreign policy of the United States.

<sup>9</sup> Reference to secs. "202, 204" was added by sec. 1 (b) of Executive Order No. 10742.

(e) The maintenance of special missions or staffs abroad, the fixing of the ranks of the chiefs thereof after the chiefs of the United States diplomatic missions, and the authorization of the same compensation and allowances as the chief of mission, Class 3 or Class 4, within the meaning of the Foreign Service Act of 1946 (22 U. S. C. 801 *et seq.*), all under section 526 of the Act, shall require the approval of the Secretary of State.

SEC. 104. *Department of Commerce.* (a) There is hereby delegated to the Secretary of Commerce so much of the functions conferred upon the President by section 413 (b) (1) of the Act as consists of drawing the attention of private enterprise to opportunities for investment and development in other free nations.

(b) The Secretary of Commerce is hereby designated as the officer through whom shall be carried out the functions provided for in section 416 of the Act.

SEC. 105. *United States Information Agency.* (a) The functions conferred upon the President by section 1011 of the United States Information and Educational Exchange Act of 1948 (62 Stat. 6), as amended, are hereby delegated to the Director of the United States Information Agency and shall be carried out in consultation with the Director of the Foreign Operations Administration.

(b) The United States Information Agency shall perform the functions provided for by law with respect to publicizing abroad the activities carried out under the Act.

SEC. 106. *Allocation of funds.* (a) Funds heretofore or hereafter appropriated or otherwise made available to the President shall be deemed to be allocated without any further action of the President, as follows:

(1) There are allocated to the Secretary of Defense funds for carrying out chapter 1 of Title I of the Act, as amended, and, without regard to section 106 (a) (2) of this order, funds for carrying out section 124 of the Act, as amended, but, for the purposes of the second sentence of section 108 of the Mutual Security Appropriation Act, 1956, such funds shall be available only when and in such amounts as they have been apportioned, for use, by the Bureau of the Budget.<sup>10</sup>

(2) All funds for carrying out the Act except those for carrying out chapter 1 of Title I of the Act are allocated to the Director of the Foreign Operations Administration.

(b) The said funds may be allocated by the Secretary of Defense and the Director of the Foreign Operations Administration, respectively, to any agency, department, establishment, or wholly owned corporation of the Government for obligation or expenditure thereby consistent with applicable law, subject, however, to the provisions of section 107 (a) (2) hereof. The utilization of funds without regard to the existing laws governing the obligation and expenditure of Government funds as authorized by section 411 (c)<sup>11</sup> of the Act, as

<sup>10</sup> Sec. 106 (a) and subsec. 106 (a) (1) were revised by sec. 1 (b) of Executive Order No. 10625. They formerly read as follows: "Funds appropriated or otherwise made available to the President shall be deemed to be allocated without any further action of the President as follows: (1) Funds for carrying out chapter 1 of Title I of the Act are allocated to the Secretary of Defense, but, for the purposes of the second sentence of section 110 of the Mutual Security Appropriation Act, 1955 (68 Stat. 1224), such funds shall be available only when and in such amounts as they have been apportioned for use, by the Bureau of the Budget."

<sup>11</sup> See. 1 (e) of Executive Order No. 10625 substituted "411 (c)" for the former "411 (b)." The provision referred to is now designated sec. 411 (d).

amended, shall be limited as far as practicable and shall in any event be confined to instances in which such utilization is deemed (1) to further the more economical, efficient, or expeditious carrying out of functions under the Act, and (2) to obviate or mitigate hardship occurring with respect to personnel administering functions under the Act in connection with the administration of these functions or with respect to the families of personnel by reason of the duties of the respective heads of families under the Act.

(c) The Director of the Foreign Operations Administration shall allocate funds to the Department of State for the contributions referred to in section 103 (c) of this order.

SEC. 107. *Reservation of functions to the President.* (a) There are hereby excluded from the functions delegated by the foregoing provisions of this order:

(1) The functions conferred upon the President by the Act with respect to the appointment of officers required to be appointed by and with the advice and consent of the Senate, the transmittal of periodic or special reports to the Congress, and the termination or withdrawal of assistance.

(2) The functions conferred upon the President with respect to findings, determinations, certifications, agreements, directives, or transfers of funds, as the case may be, by sections 104 (b), 105, 132 (a), 141, 401, 403, 404, 410, 501, 503, 521, and 522 (b) of the Act, and by sections 103 (b), 104, 203, and 301 of the Mutual Defense Assistance Control Act of 1951.

(3) The functions conferred upon the President by sections 101, 107 (a) (2), 415, 525, 533, and 545 (d) of the Act and, subject to Part II hereof, the functions so conferred by section 523 (b) of the Act.

(4) The functions conferred upon the President by section 121 of the Act, including all of the functions so conferred with respect to waiving specific provisions of section 142 of the Act, but otherwise excluding so much of the functions conferred upon the President by the said section 121 as may relate to assistance for the support of forces and other expenditures within Indo-China and either is financed from the unexpended balances of appropriations made pursuant to sections 304 and 540 of the Mutual Security Act of 1951, as amended, or is within an obligational limitation of \$150,000,000 additional to the said unexpended balances.

(5) So much of the functions conferred upon the President by section 409 (d) of the Act as may relate to funds allocated to the Department of Defense by this order.

(6) The functions conferred upon the President by the second sentence of section 124 of the Act, as amended.<sup>12</sup>

(b) The sum of \$300,000,000 provided for in section 402 of the Act, as amended, shall be divided between the Department of State and the Department of Defense as those departments shall mutually agree.<sup>13</sup>

<sup>12</sup> This subsection was added by sec. 1 (c) of Executive Order No. 10625.

<sup>13</sup> This section was revised by sec. 1 (d) of Executive Order No. 10625. It formerly read: "The President shall hereafter determine the portions of the sum of \$350,000,000 provided for in section 402 of the Act and the portions of the sum of \$200,000,000 provided for in section 505 (b) of the Act which shall be applicable to funds allocated pursuant to the Act to the Foreign Operations Administration and the Department of Defense, respectively."

SEC. 108.<sup>14</sup> *Development Loan Committee.* There is hereby established, in accordance with section 205 (b) of the Act, the Development Loan Committee, consisting of the Deputy Under Secretary of State for Economic Affairs, who shall be chairman, the Director of the International Cooperation Administration, and the Chairman of the Board of Directors of the Export-Import Bank.

PART II. PROCEDURES FOR COORDINATION ABROAD

SEC. 201. *Functions of the Chief of the United States Diplomatic Mission.* (a) The Chief of the United States Diplomatic Mission in each country, as the representative of the President, shall serve as the channel of authority on foreign policy and shall provide foreign policy direction to all representatives of United States agencies in such country.

(b) The Chief of the United States Diplomatic Mission in each country, as the representative of the President and acting on his behalf, shall coordinate the activities of the representatives of United States agencies (including the chiefs of economic and technical assistance missions, military assistance advisory groups, foreign information staffs, and other representatives of agencies of the United States Government) in such country engaged in carrying out programs under the Act, programs under the Mutual Defense Assistance Control Act of 1951, and the programs transferred by section 2 of the Reorganization Plan No. 8 of 1953 (67 Stat. 642);<sup>15</sup> and he shall assume responsibility for assuring the unified development and execution of the said programs in such country. More particularly, the functions of each Chief of United States Diplomatic Mission shall include, with respect to the programs and the country concerned, the functions of:

- (1) Exercising general direction and leadership of the entire effort.
- (2) Assuring that recommendations and prospective plans and actions of representatives of United States agencies are effectively coordinated and are consistent with, and in furtherance of, the established policy of the United States.
- (3) Assuring that the interpretation and application of instructions received by representatives of United States agencies from higher authority are in accord with the established policy of the United States.
- (4) Guiding the representatives of the United States agencies in working out measures to prevent duplication in their efforts and to promote the most effective and efficient use of all United States officers and employees engaged in work on the said programs.
- (5) Keeping the representatives of United States agencies fully informed as to current and prospective United States policies.
- (6) Prescribing procedures governing the coordination of the activities of representatives of United States agencies, and assuring that such representatives shall have access to all available

<sup>14</sup> This section was added by sec. 1 (c) of Executive Order No. 10742.

<sup>15</sup> Sec. 5 of Executive Order No. 10601, March 24, 1955 [20 F. R. 1761] states that the provisions of Part II of Executive Order 10575 are extended and made applicable to the carrying on abroad of functions under Title I of the Agricultural Act of 1954, Public Law 690, 68 Stat. 897, 7 U. S. C. 1741-1747.

information essential to the accomplishment of their prescribed duties.

(7) Preparing and submitting such reports on the operation and status of the programs referred to in the introductory portion of this subsection as may be requested of the Secretary of State by the Secretary of Defense, the Director of the Foreign Operations Administration, or the Director of the United States Information Agency, with respect to their respective responsibilities.

(8) Recommending the withdrawal of United States personnel from the country whenever in his opinion the interests of the United States warrant such action.

(c) Each Chief of United States Diplomatic Mission shall perform his functions under this part in accordance with instructions from higher authority and subject to established policies and programs of the United States. Only the President and the Secretary of State shall communicate instructions directly to the Chief of the United States Diplomatic Mission.

(d) No Chief of United States Diplomatic Mission shall delegate any function conferred upon him by the provisions of this part which directly involves the exercise of direction, coordination, or authority.

SEC. 202. *Referral of unresolved matters.* The Chief of the United States Diplomatic Mission in each country shall initiate steps to reconcile any divergent views arising between representatives of United States agencies in the country concerned with respect to programs referred to in the introductory portion of section 201 (b) of this order. If agreement cannot be reached the Chief of the United States Diplomatic Mission shall recommend a course of action, and such course of action shall be followed unless a representative of a United States agency requests that the issue be referred to the Secretary of State and the United States agencies concerned for decision. If such a request is made, the parties concerned shall promptly refer the issue for resolution prior to taking action at the country level.

SEC. 203. *Further coordination procedures and relationships.* (a) All representatives of United States agencies in each country shall be subject to the responsibilities imposed upon the Chief of the United States Diplomatic Mission in such country by section 523 (b) of the Act and by this part.

(b) Subject to compliance with the provisions of this part and with the prescribed procedures of their respective agencies, all representatives of United States agencies affected by this part (1) shall have direct communication with their respective agencies and with such other parties and in such manner as may be authorized by their respective agencies, (2) shall keep the respective Chiefs of United States Diplomatic Missions and each other fully and currently informed on all matters, including prospective plans, recommendations, and actions, relating to the programs referred to in the introductory portion of section 201 (b) of this order, and (3) shall furnish to the respective Chiefs of United States Diplomatic Missions, upon their request, documents and information concerning the said programs.

### PART III. GENERAL PROVISIONS

SEC. 301. *Definition.* As used in this order, the word "functions" embraces duties, powers, responsibilities, authority, and discretion.

Sec. 302. *Prior orders.* (a) This order supersedes Executive Order No. 10476 of August 1, 1953 (18 F. R. 4537).

(b) The reference in section 3 (c) of Executive Order No. 10560 of September 9, 1954 (19 F. R. 5927), to Part III of Executive Order No. 10476 shall after the date of this order be deemed to be a reference to Part II of this order.

(c) Except to the extent inconsistent with law or with this order, and except as revoked, superseded, or otherwise made inapplicable before the time of issuance of this order, (1) all determinations, authorizations, regulations, rulings, certificates, orders, directives, contracts, agreements, and other actions issued, undertaken or entered into with respect to any function affected by this order shall continue in full force and effect until amended, modified, or revoked by appropriate authority, (2) each reference in any Executive order to any provision of law repealed by the Mutual Security Act of 1954 shall be deemed also to refer to the corresponding provision, if any, of the Mutual Security Act of 1954.<sup>16</sup>

Sec. 303. *Effective date.* Without prejudice to anything done under proper authority with respect to any function under the Act at any time subsequent to the approval of the Act and prior to the approval of this order, the effective date of this order shall be deemed to be the date of the approval of the Act.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, November 6, 1954.

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<sup>16</sup> Sec. 2 of Executive Order No. 10625 provides as follows: "Except in respect of any provision which has been revoked, superseded, or otherwise rendered inapplicable, and except as may be otherwise inappropriate, any reference in any provision of any prior Executive Order to the Mutual Security Act of 1954 shall be deemed to include a reference to the Mutual Security Act of 1954, as amended."

### 18. Executive Order No. 10610

**Text of Executive Order No. 10610, May 9, 1955, 20 F. R. 3179, as amended by Executive Order No. 10663, March 24, 1956, 21 F. R. 1845, and Executive Order No. 10742, November 29, 1957, 22 F. R. 9689**

#### **ADMINISTRATION OF MUTUAL SECURITY AND RELATED FUNCTIONS**

By virtue of the authority vested in me by the Mutual Security Act of 1954, including particularly sections 521 and 525 thereof (68 Stat. 855, 856), and as President of the United States, it is ordered as follows:

#### **PART I. DEPARTMENT OF STATE; INTERNATIONAL COOPERATION ADMINISTRATION**

Sec. 101. Exclusive of the functions transferred by the provisions of section 201 of this order, all functions conferred by law upon, or delegated or otherwise assigned by the President to, the Director of the Foreign Operations Administration, and all functions conferred by law upon, or otherwise placed under the jurisdiction of, the Foreign Operations Administration (including, subject to the provisions of sections 102 (b) and (c) of this order, all functions of agencies, officials, and employees of the Foreign Operations Administration), are hereby transferred to the Secretary of State and the Department of State, respectively.

Sec. 102. The following are hereby transferred to the Department of State:

(a) All offices of the Foreign Operations Administration, exclusive of the office of Director of the Foreign Operations Administration.

(b) The Institute of Inter-American Affairs and the functions vested in it by law, which functions shall remain therewith.

(c) The International Development Advisory Board (68 Stat. 842) and the functions vested in it by law, which functions shall remain therewith.

(d) The Office of Small Business, provided for in section 504 (b) of the Mutual Security Act of 1954 (68 Stat. 851), and in section 101 (d) of Executive Order No. 10575 of November 6, 1954 (19 F. R. 7251).

Sec. 103. (a) The Secretary of State shall establish, with the offices, personnel, and facilities transferred to the Department of State by or under sections 102 (a) and 302 of this order, an agency in the Department of State which shall be known as the International Cooperation Administration. The agencies transferred by sections 102 (b), (c), and (d) of this order shall be made a part of or attached to the International Cooperation Administration. The International Cooperation Administration shall be headed by the Director of the International Cooperation Administration referred to in the first sentence of section 103 (b) of this order. Except as may be otherwise pro-

vided by the Secretary of State, the functions transferred by section 101 hereof shall be carried out by or under the International Cooperation Administration or the Director thereof. The said Administration and all functions transferred by this Part shall be subject to the direction and control of the Secretary of State. This order shall not preclude the Secretary of State from transferring elsewhere in the Department of State the transferred offices, personnel, facilities, and agencies referred to in the first and second sentences of this section. To such extent as the Secretary of State shall prescribe, consistent with law, (1) the International Cooperation Administration and any other agencies of the Department of State designated by the Secretary of State shall be deemed to be the successors of the Foreign Operations Administration in respect of transfers to the Department of State made by this order, and (2) the Director of the International Cooperation Administration and any other officers of the Department of State designated by the Secretary of State shall be deemed to be the successors of the Director of the Foreign Operations Administration in respect of transfers to the Secretary of State made by this order.<sup>1</sup>

(b) The title of Deputy Director of the Foreign Operations Administration is hereby changed to Director of the International Cooperation Administration. The Director of the International Cooperation Administration may, as he deems proper, change the title of and utilize in connection with the functions transferred by this order any other office of the Foreign Operations Administration transferred hereby.

SEC. 104. (a) The Secretary of State, after consultation with the Secretary of Defense, shall make appropriate arrangements for carrying out the function of coordination referred to in section 102 (c) (1) of Executive Order No. 10575 of November 6, 1954.<sup>2</sup>

(b) The Secretary of State or, if he shall so direct, the Director of the International Cooperation Administration shall (1) carry out

<sup>1</sup> Sec. 103 (a) was revised by sec. 2 (a) of Executive Order No. 10742. It formerly read as follows: "The Secretary of State shall establish, with the offices, personnel, and facilities transferred to the Department of State by or under sections 102 (a) and 302 of this order, an agency in the Department of State which shall be known as the International Cooperation Administration. The agencies transferred by sections 102 (b), (c), and (d) of this order shall be made a part of or attached to the International Cooperation Administration. The International Cooperation Administration shall be headed by the Director of the International Cooperation Administration referred to in the first sentence of section 103 (b) of this order. The said Director shall report directly to the Secretary of State. Except as may be otherwise provided by the Secretary of State in respect of the matters referred to in section 104 of this order, the functions transferred by section 101 hereof shall be carried out by or under the International Cooperation Administration or the Director thereof. The said Administration, including all its officers and agencies, and all functions transferred by this Part shall be subject to the direction and control of the Secretary of State. To such extent as the Secretary of State shall prescribe, consistent with law and without diminishing assignments made or required to be made by this order to the International Cooperation Administration or the Director thereof, the said Administration and Director shall be deemed to be the successors of the Foreign Operations Administration and the Director thereof, respectively, in respect of transfers to the Department of State and the Secretary of State made by this order."

<sup>2</sup> Subsecs. (b) and (c) of sec. 104 were revoked by sec. 2 (b) of Executive Order No. 10742. They formerly read as follows:

"(b) The Secretary of State or, if he shall so direct, the Director of the International Cooperation Administration shall (1) carry out the functions under the Mutual Defense Assistance Control Act of 1951 transferred by section 101 of this order, (2) carry out the functions under section 501 (a) (2) of the Mutual Security Act of 1951 (as continued by section 525 of the Mutual Security Act of 1954), (3) make the determinations authorized by the last sentence of section 524 (b) of the Mutual Security Act of 1954, and (4) coordinate the functions of the International Cooperation Administration and other affairs of the Department of State.

"(c) The Secretary of State may carry out the functions now financed pursuant to section 405 (d) of the Mutual Security Act of 1954, as amended, through any officer or agency of the Department of State."

the functions under the Mutual Defense Assistance Control Act of 1951 transferred by section 101 of this order, (2) carry out the functions under section 501 (a) (2) of the Mutual Security Act of 1951 (as continued by section 525 of the Mutual Security Act of 1954), (3) make the determinations authorized by the last sentence of section 524 (b) of the Mutual Security Act of 1954, and (4) coordinate the functions of the International Cooperation Administration and other affairs of the Department of State.

(c) The Secretary of State may carry out the functions now financed pursuant to section 405 (d) of the Mutual Security Act of 1954, as amended, through any officer or agency of the Department of State.

PART II. DEPARTMENT OF DEFENSE

SEC. 201. So much of the functions under chapter 2 of Title I of the Mutual Security Act of 1954 now vested in or delegated to or otherwise conferred upon the Director of the Foreign Operations Administration or the Foreign Operations Administration as consists of furnishing to recipients eligible under that chapter, equipment, materials, or services which are delivered or rendered directly to the military forces of the recipient country or its agent (including a civilian contractor with such force) for the exclusive use, or to be under the exclusive control, of such military forces and without entering into or being processed by the civilian economy of the recipient country except as above provided is hereby transferred to the Secretary of Defense and the Department of Defense, respectively.

SEC. 202. The determination of the value of the program for any country under so much of chapter 2 of Title I of the Mutual Security Act of 1954 as pertains to the functions transferred by section 201 of this order shall be made by the Secretary of State.

PART III. GENERAL PROVISIONS

SEC. 301. As used in this order, the term "functions" includes powers, duties, authority, responsibilities, and discretion.

SEC. 302. So much of the records, property, personnel, positions, and unexpended balances of appropriations, allocations, and other funds of the Foreign Operations Administration as the Director of the Bureau of the Budget shall determine shall be transferred to the Department of Defense. There are hereby transferred to the Department of State all other records, property, personnel, positions, and unexpended balances of appropriations, allocations, and other funds of the Foreign Operations Administration (including those of the Institute of Inter-American Affairs, the International Development Advisory Board, and the Office of Small Business, which shall be transferred with those agencies, respectively). Such further measures and dispositions as the Director of the Bureau of the Budget may deem necessary in order to effectuate the transfers provided for in this section shall be carried out in such manner as he shall direct and by such agencies as he shall designate.

SEC. 303. (a) The Foreign Operations Administration, including the office of Director of the Foreign Operations Administration but excluding all other offices of, and all agencies and positions of, the Foreign Operations Administration, and excluding also all functions transferred by the provisions of this order, is hereby abolished.

(b) The memberships of the Director of the Foreign Operations Administration on the following bodies, together with the functions of the said Director in his capacity as member of each thereof, are hereby abolished: (1) The National Security Council, (2) the Operations Coordinating Board, (3) the Council on Foreign Economic Policy, (4) the Interagency Committee on Agricultural Surplus Disposal, (5) the Defense Mobilization Board, and (6) the Interdepartmental Committee on Trade Agreements: *Provided*, That the Director of the International Cooperation Administration or his designated representative shall participate in the deliberations, and assist in connection with the affairs, of the bodies mentioned in items (2) to (6), inclusive, above, and of the Committee for Reciprocity Information.

SEC. 304. Nothing in this order shall be construed to derogate from the authority of the President, after the date of approval of this order, (1) to delegate functions conferred upon him by the Mutual Security Act of 1954 or by other law other than as transferred or otherwise assigned by this order, (2) to transfer to any agency or officer of the United States, or to modify or abolish, any function, office, or entity of the Foreign Operations Administration or the successor thereof or any officer or employee thereof, or (3) to transfer such personnel, property, records, and funds as may be necessary incident thereto.

SEC. 305. Except to the extent inconsistent with this order, all determinations, authorizations, regulations, rulings, certificates, orders, directives, contracts, agreements, and other actions issued, undertaken, or entered into with respect to any function affected by this order and not heretofore revoked, superseded, or otherwise made inapplicable, shall continue in full force and effect until amended, modified, or terminated by appropriate authority; but any reference therein to any officer or agency abolished by this order shall hereafter be deemed to be a reference to the appropriate successor officer or agency under this order.

SEC. 306. This order shall become effective at the close of June 30, 1955.

THE WHITE HOUSE, May 9, 1955.  
DWIGHT D. EISENHOWER.

**19. Executive Order No. 10663**

**Text of Executive Order No. 10663, March 24, 1956, 21 F. R. 1845**

**ADMINISTRATION OF THE ESCAPEE PROGRAM**

By virtue of the authority vested in me by the Mutual Security Act of 1954 (68 Stat. 832), as amended, including particularly sections 521 and 525 thereof, it is ordered as follows:

SECTION 1. Section 104 of Executive Order No. 10610 of May 9, 1955 (20 F. R. 3181),<sup>1</sup> is hereby amended by adding at the end thereof a new subsection (c) reading as follows:

"(c) The Secretary of State may carry out the functions now financed pursuant to section 405 (d) of the Mutual Security Act of 1954, as amended, through any officer or agency of the Department of State."

SEC. 2. There is hereby terminated the duty of the Director of the International Cooperation Administration (under section 103 (c) of Executive Order No. 10575<sup>2</sup> of November 6, 1954 (19 F. R. 7251), as affected by Executive Order No. 10610<sup>3</sup>) to assist the Secretary of State in formulating and presenting the policy of the United States with respect to the assistance programs of the Intergovernmental Committee for European Migration, the United Nations Refugee Funds, and the United Nations Children's Fund.

SEC. 3. The Secretary of State is hereby authorized to transfer or assign to any agency or agencies of the Department of State such offices, officers, and personnel, and so much of the property and records, of the International Cooperation Administration as he may deem necessary for the administration by the said agency or agencies of the functions referred to in section 104 (c) of Executive Order No. 10610, as amended by this order.

SEC. 4. This order shall become effective on the first day of the first month commencing after the date hereof.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *March 24, 1956.*

<sup>1</sup> See page 107.

<sup>2</sup> See page 100.

<sup>3</sup> See page 108.

**20. State Department Delegation of Authority No. 85, as amended, Implementing Executive Order No. 10610**

Text of State Department Delegation of Authority No. 85, June 30, 1955 (20 F. R. 4825), as amended by Delegation of Authority 85-1, October 12, 1955 (20 F. R. 7950) and Delegation of Authority 85-2, September 4, 1957 (22 F. R. 7344), and Delegation of Authority 85-3, December 5, 1957 (22 F. R. 10124)

JUNE 30, 1955

**ADMINISTRATION OF MUTUAL SECURITY ACT OF 1954 AND DELEGATION OF CERTAIN RELATED FUNCTIONS<sup>1</sup>**

By virtue of the authority vested in me by Executive Order No. 10610, the Mutual Security Act of 1954 (68 Stat. 832), and section 4 of the Act of May 26, 1949 (63 Stat. 111, 5 U. S. C. sec. 151 c), and in accordance with the requirements of section 3 (a) (1) of Public Law 404, 79th Congress (60 Stat. 238, 5 U. S. C. sec. 1002 (a) (1)), establishment of the International Cooperation Administration is effected and assignment of mutual security and related functions and delegations of authority are made as follows:

1. *Establishment of the International Cooperation Administration.* There is established in the Department of State an agency which shall be known as the International Cooperation Administration. The Institute of Inter-American Affairs, the Office of Small Business provided for in section 504 (b) of the Mutual Security Act of 1954, and the International Development Advisory Board shall be a part of or attached to the International Cooperation Administration.

2. *The Director of the International Cooperation Administration.* As provided in section 103 (a) of Executive Order No. 10610 the International Cooperation Administration shall be headed by the Director of the International Cooperation Administration. The Director of the International Cooperation Administration may, to the extent consistent with law, delegate or assign any of his functions to his subordinates and authorize any of his subordinates to whom functions are so delegated or assigned successively to redelegate or reassigned any of such functions.<sup>2</sup>

3. *Functions of the Deputy Under Secretary of State for Economic Affairs.*

<sup>1</sup> Title formerly read "Establishment of International Cooperation Administration and Delegation of Certain Related Functions." It was revised by Delegation of Authority No. 85-3 signed by Secretary of State December 5, 1957 [22 F. R. 10124].

<sup>2</sup> The last half of this sentence beginning with the words "and authorize any" was added by Delegation of Authority No. 85-3.

<sup>3</sup> This section was added by Delegation of Authority No. 85-3. Repealed sec. 3 read as follows:

"Functions of the International Cooperation Administration or the Director Thereof."

"a. The Director of the International Cooperation Administration shall, under the direction and control of the Secretary of State, carry out the following functions:

"(1) the functions which section 103 (a) of Executive Order No. 10610 directs be carried out by or under the Administration or the Director;

"(2) the functions under the Mutual Defense Assistance Control Act of 1951 transferred to the Secretary of State by section 101 of Executive Order No. 10610;

"(3) subject to consultation with the Secretary of Defense and the concurrence of the Secretary of State, (a) the function of having primary responsibility for prepara-

a. The Deputy Under Secretary of State for Economic Affairs shall, on behalf of the Secretary of State, carry out the following functions:

(1) the function of having primary responsibility for preparation and presentation to the Congress of such programs of foreign military, economic, technical and other assistance as may be required in the interest of the security of the United States;

(2) the function of coordinating the various forms of assistance authorized by the Mutual Security Act of 1954;

(3) the function of ensuring that the assistance authorized by the Mutual Security Act of 1954 serves the foreign policies of the United States;

(4) the function of determining the value of the program under chapter 1, title I, of the Mutual Security Act of 1954 for any country;

(5) the function of coordinating the functions of the International Cooperation Administration with the other affairs of the Department of State.

b. The Deputy Under Secretary of State for Economic Affairs may, to the extent consistent with law, delegate or assign any of his functions to his subordinates.

*4.<sup>4</sup> Functions of the International Cooperation Administration or the Director Thereof.*

a. Except as otherwise provided in this Delegation of Authority with respect to the functions of the Deputy Under Secretary of State for Economic Affairs, the Director of the International Cooperation

tion and presentation to the Congress of such program of foreign military, economic, and technical assistance as may be required in the interest of the security of the United States; (b) the function of coordination referred to in section 102 (c) (1) of Executive Order No. 10575; (c) the function of determining the value of the program for any country under chapter 1 of title I of the Mutual Security Act of 1954 (relating to military assistance); and (d) the function of determining the value of the program for any country under so much of chapter 2 of title I of the Mutual Security Act of 1954 as pertains to the functions transferred to the Secretary of Defense and the Department of Defense by section 201 of Executive Order No. 10610 or delegated to the Secretary of Defense by section 102 (a) (4) of Executive Order No. 10575 as amended by Executive Order No. 10625:

"(4) subject to the concurrence of the Secretary of State, the function referred to in section 107 (b) of Executive Order No. 10575 as amended by Executive Order No. 10625 of agreeing with the Department of Defense on a division of the sum of \$300,000,000 provided for in section 402 of the Mutual Security Act of 1954, as amended (relating to the export and sale of surplus agricultural commodities);

"(5) the functions which the Department of State is directed to carry out by section 4 (d) (3) of Executive Order 10560, as amended, relating to foreign currencies generated by sales under the Agricultural Trade Development and Assistance Act of 1954, as amended, to carry out the purposes of section 104 (c) of the Act.

"b. Nothing in this order shall be construed to derogate from any authority, responsibilities or functions previously held or exercised by the Secretary of State or the various bureaus and other offices of the Department of State.

"c. The Director of the International Cooperation Administration may from time to time, to the extent consistent with law, promulgate such rules and regulations as may be necessary and proper to carry out any of his functions. The Director of the International Cooperation Administration is hereby designated as the person who shall issue regulations relating to travel expenses paid out of appropriations which have been or may be made under the Mutual Security Act of 1954, including the regulations referred to in the second proviso of section 102 of the Mutual Security Appropriation Act, 1956.

"d. The Director of the International Cooperation Administration is designated as the person who shall make certificates of the amount of expenditures of a confidential character made out of funds allocated to the International Cooperation Administration whenever any provisions of law, including section 102 of the Mutual Security Appropriation Act, 1956, requires such certificates to be made by the Secretary of State or such person as he may designate."

<sup>4</sup>This section was added by Delegation of Authority No. 85-3. Repealed sec. 4 read as follows:

*"Functions Reserved to the Secretary of State.* The responsibility for coordinating the functions of the International Cooperation Administration with other affairs of the Department of State is hereby reserved to the Secretary of State."

Administration shall, under the direction and control of the Secretary of State, carry out the following functions:

- (1) the functions transferred by section 101 of Executive Order 10610;
- (2) the functions under sections 202 and 204 of the Mutual Security Act of 1954 delegated to the Secretary of State by section 103 (a) (2) of Executive Order 10575, subject to policy guidance received from the Development Loan Committee established by section 1 (c) of Executive Order No. 10742 of November 29, 1957;
- (3) subject to the concurrence of the Deputy Under Secretary of State for Economic Affairs, the function of agreeing with the Department of Defense on a division of the sum provided for in section 402 of the Mutual Security Act of 1954;
- (4) the functions which the Department of State is directed to carry out by section 4 (d) (3) of Executive Order 10560 relating to foreign currencies generated by sales under the Agricultural Trade Development and Assistance Act of 1954, as amended, to carry out the purposes of section 104 (c) of the Act.

b. The Director of the International Cooperation Administration or his designees may from time to time, to the extent consistent with law, promulgate such rules and regulations as may be necessary and proper to carry out any functions of the International Cooperation Administration or the Director or agencies, officers or employees thereof.

5. *Records, Property, Personnel, Positions, and Funds.* The records, property, personnel, positions, and unexpended balances of appropriations, allocations, and other funds of the Foreign Operations Administration transferred to the Department of State by section 302 of Executive Order No. 10610 are hereby placed in the International Cooperation Administration. Nothing in this section shall be construed to derogate from the authority of the Secretary of State within the terms of Executive Order No. 10610 to place elsewhere in the Department of State at a later date or dates records, property, personnel, positions and funds which relate to functions which are not to be performed by the International Cooperation Administration or the Director thereof.

6. *Successorship.* Except as may be otherwise provided from time to time, and consistent with law and with Executive Order No. 10610, the International Cooperation Administration and the Director thereof shall be deemed to be the successors of the Foreign Operations Administration and the Director thereof, respectively, in respect to all functions<sup>5</sup> delegated to the Administration or the Director by the Secretary of State.

7. *Authority and Responsibilities of the Secretary of State.* Nothing in this order shall be construed to derogate from any authority, responsibilities, or functions previously held or exercised by the Secretary of State or the various bureaus and other offices of the Department of State.

<sup>5</sup> The words "required to be carried out by or under the International Cooperation Administration or the Director pursuant to section 103 (a) of Executive Order No. 10610, or" which appeared following the word "functions" were deleted by Delegation of Authority No. 85-3.

<sup>6</sup> Sec. 7 was added by Delegation of Authority No. 85-3.

ILLEGIB

*8.<sup>7</sup> Effective Date.*

- a. This order shall become effective immediately upon the coming into effect of Executive Order No. 10610.
- b. Nothing in this order shall be construed to derogate from the authority of the Secretary of State to amend this order at any time.
- c.<sup>7</sup> Any reference in this order to the Mutual Security Act of 1954 or to any other Act shall be deemed to be a reference to such Act as amended from time to time. Any reference in this order to any Executive Order or order delegating functions thereunder shall be deemed to be a reference to such order as amended from time to time.

/s/ JOHN FOSTER DULLES,  
*Secretary of State.*

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<sup>7</sup> Delegation of Authority No. 85-8 redesignated sec. 7 as sec. 8, and amended subsec. (c), which formerly read as follows: "References in this order to the Mutual Security Act of 1954 shall be deemed to be references to the Mutual Security Act of 1954 as amended from time to time."

## 21. Executive Order No. 10784

Text of Executive Order No. 10784, October 1, 1958, 23 F. R. 7691

### SPECIFICATION OF LAWS FROM WHICH FUNCTIONS AUTHORIZED BY THE MUTUAL SECURITY ACT OF 1954, AS AMENDED,<sup>1</sup> SHALL BE EXEMPT

By virtue of the authority vested in me by section 533 of the Mutual Security Act of 1954, 68 Stat. 860 (22 U. S. C. 1793), it is hereby determined that, to the extent hereinafter indicated, the performance of functions authorized by that act, as amended (including the performance of functions authorized by section 544 thereof), without regard to the laws specified in the lettered subdivisions of sections 1 and 2 of this order and without regard to consideration as specified in section 3 of this order will further the purposes of the Mutual Security Act of 1954, as amended:

SECTION 1. With respect to functions authorized by the Mutual Security Act of 1954, as amended (22 U. S. C. 1750 *et seq.*), except those exercised by the Department of Defense under authority of sections 521 and 524 of that act (22 U. S. C. 1781, 1784) :

- (a) The act of March 26, 1934, c. 90, 48 Stat. 500, as amended (15 U. S. C. 616a).
- (b) Section 3648 of the Revised Statutes, as amended, 60 Stat. 809 (31 U. S. C. 529).
- (c) Section 305 of the Federal Property and Administrative Services Act of 1949, c. 288, 63 Stat. 396, as amended (41 U. S. C. 255).
- (d) Section 3709 of the Revised Statutes, as amended (41 U. S. C. 5).
- (e) Section 3710 of the Revised Statutes (41 U. S. C. 8).
- (f) Section 2 of title III of the act of March 3, 1933, c. 212, 47 Stat. 1520 (41 U. S. C. 10a).
- (g) Section 3735 of the Revised Statutes (41 U. S. C. 13).
- (h) Section 304 (c) of the Federal Property and Administrative Services Act of 1949, as added by the act of October 31, 1951, c. 652, 65 Stat. 700 (41 U. S. C. 254 (c)), but only with respect to contracts entered into with foreign governments or agencies thereof for the rendering of services to the United States or an agency thereof within the continental limits of the United States.
- (i) Section 901 of the Merchant Marine Act, 1936, c. 858, 49 Stat. 2015, as amended (46 U. S. C. 1241 (a)).

SEC. 2. With respect to purchases authorized to be made outside the continental limits of the United States under the Mutual Security Act of 1954, as amended:

<sup>1</sup> Sec. 302 (c) (2) of Executive Order No. 10575, as amended (the full text of which appears on page 98) provides: "Each reference in any Executive order to any provision of law repealed by the Mutual Security Act of 1954 shall be deemed also to refer to the corresponding provision, if any, of the Mutual Security Act of 1954."

- (a) Section 2276 (a) of title 10 of the United States Code.
- (b) Section 2313 (b) of title 10 of the United States Code.
- (c) Section 304 (c) of the Federal Property and Administrative Services Act of 1949, as added by the act of October 31, 1951, c. 652, 65 Stat. 700 (41 U. S. C. 254 (c)).
- (d) Section 1301 of the Second War Powers Act, 1942, c. 199, 56 Stat. 185 (50 U. S. C. App. 643), as extended by the provisions of the act of June 30, 1953, c. 169, 67 Stat. 120.

SEC. 3. With respect to cost-type contracts heretofore or hereafter made under authority of the Mutual Security Act of 1954, as amended, with nonprofit institutions under which no fee is charged or paid, amendments and modifications of such contracts may be made with or without consideration and may be utilized to accomplish the same things as any original contract could have accomplished, irrespective of the time or circumstances of the making, or the form of the contract amended or modified, or of the amending or modifying contract, and irrespective of rights which may have accrued under the contract or the amendments or modifications thereof.

This order supersedes Executive Order No. 10519 of March 5, 1954 (3 C. F. R., 1954 Supp., p. 48), entitled "Specifications of Laws from Which Functions Authorized by Mutual Security Act of 1951, as Amended, Shall Be Exempt."

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, October 1, 1958.

## B. INFORMATION, CULTURAL EXCHANGE AND EDUCATIONAL EXCHANGE PROGRAMS

### 1. United States Information and Educational Exchange Act of 1948, as amended

Text of Public Law 402, 80th Congress [H. R. 3342], 62 Stat. 6, approved January 27, 1948; as amended by Public Law 298, 82d Congress [S. 2077], 66 Stat. 43, approved April 5, 1952; Public Law 414, 82d Congress [H. R. 5678], 66 Stat. 276, approved June 27, 1952; Public Law 665, 83d Congress [H. R. 9678], 68 Stat. 862, approved August 26, 1954; Public Law 555, 84th Congress [S. 2562], 70 Stat. 241, approved June 4, 1956; Public Law 726, 84th Congress [H. R. 11356], 70 Stat. 555, approved July 18, 1956; and Public Law 85-477, 85th Congress, 72 Stat. 261, approved June 30, 1958

AN ACT To promote the better understanding of the United States among the peoples of the world and to strengthen cooperative international relations.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### TITLE I—SHORT TITLE, OBJECTIVES, AND DEFINITIONS

##### SIIORT TITLE

SECTION 1. This Act may be cited as the "United States Information and Educational Exchange Act of 1948".

##### OBJECTIVES

SEC. 2.<sup>1</sup> The Congress hereby declares that the objectives of this Act are to enable the Government of the United States to promote a better understanding of the United States in other countries, and to increase mutual understanding between the people of the United States and the people of other countries. Among the means to be used in achieving these objectives are—

(1) an information service to disseminate abroad information about the United States, its people, and policies promulgated by the Congress, the President, the Secretary of State and other responsible officials of Government having to do with matters affecting foreign affairs;

(2) an educational exchange service to cooperate with other nations in—

- (a) the interchange of persons, knowledge, and skills;
- (b) the rendering of technical and other services;
- (c) the interchange of developments in the field of education, the arts, and sciences.

<sup>1</sup> 22 U. S. C. § 1431.

UNITED NATIONS

SEC. 3.<sup>2</sup> In carrying out the objectives of this Act, information concerning the participation of the United States in the United Nations, its organizations and functions, shall be emphasized.

DEFINITIONS

SEC. 4.<sup>3</sup> When used in this Act, the term—

- (1) "Secretary" means the Secretary of State.
- (2) "Department" means the Department of State.
- (3) "Government agency" means any executive department, board, bureau, commission, or other agency of the Federal Government, or independent establishment, or any corporation wholly owned (either directly or through one or more corporations) by the United States.

TITLE II—INTERCHANGE OF PERSONS, KNOWLEDGE AND SKILLS

PERSONS

SEC. 201.<sup>4</sup> (a) The Secretary is authorized to provide for interchanges on a reciprocal basis between the United States and other countries of students, trainees, teachers, guest instructors, professors, and leaders in fields of specialized knowledge or skill and shall wherever possible provide these interchanges by using the services of existing reputable agencies which are successfully engaged in such activity. The Secretary may provide for orientation courses and other appropriate services for such persons from other countries upon their arrival in the United States, and for such persons going to other countries from the United States. When any country fails or refuses to cooperate in such program on a basis of reciprocity the Secretary shall terminate or limit such program, with respect to such country, to the extent he deems to be advisable in the interests of the United States. The persons specified in this section shall be admitted as nonimmigrants under section 101 (a) (15) of the Immigration and Nationality Act, for such time and under such conditions as may be prescribed by regulations promulgated by the Secretary of State and the Attorney General. A person admitted under this section who fails to maintain the status under which he was admitted or who fails to depart from the United States at the expiration of the time for which he was admitted, or who engages in activities of a political nature detrimental to the interests of the United States, or in activities not consistent with the security of the United States, shall, upon the warrant of the Attorney General, be taken into custody and promptly deported pursuant to sections 241, 242, and 243 of the Immigration and Nationality Act. Deportation proceedings under this section shall be summary and the findings of the Attorney General as to matters of fact shall be conclusive. Such persons shall not be eligible for suspension of deportation under section 244 of the Immigration and Nationality Act.<sup>5</sup>

<sup>2</sup> 22 U. S. C. § 1432.

<sup>3</sup> 22 U. S. C. § 1433.

<sup>4</sup> 22 U. S. C. § 1446.

<sup>5</sup> This section was revised by sec. 402 (f) of the Act of June 27, 1952, to correct references by making them applicable to the new Immigration and Nationalization Act.

(b) No person admitted as an exchange visitor under this section or acquiring exchange visitor status after admission shall be eligible to apply for an immigrant visa, or for a nonimmigrant visa under section 101 (a) (15) (H) of the Immigration and Nationality Act, or for adjustment of status to that of an alien lawfully admitted for permanent residence, until it is established that such person has resided and been physically present in a cooperating country or countries for an aggregate of at least two years following departure from the United States: *Provided*, That upon request of an interested Government agency and the recommendation of the Secretary of State, the Attorney General may waive such two-year period of residence abroad in the case of any alien whose admission to the United States is found by the Attorney General to be in the public interest: *And provided further*, That the provisions of this paragraph shall apply only to those persons acquiring exchange visitor status subsequent to the date of the enactment hereof.<sup>6</sup>

#### BOOKS AND MATERIALS

SEC. 202.<sup>7</sup> The Secretary is authorized to provide for interchanges between the United States and other countries of books and periodicals, including government publications, for the translation of such writings, and for the preparation, distribution, and interchange of other educational materials.

#### INSTITUTIONS

SEC. 203.<sup>8</sup> The Secretary is authorized to provide for assistance to schools, libraries, and community centers abroad, founded or sponsored by citizens of the United States, and serving as demonstration centers for methods and practices employed in the United States. In assisting any such schools, however, the Secretary shall exercise no control over their educational policies and shall in no case furnish assistance of any character which is not in keeping with the free democratic principles and the established foreign policy of the United States.<sup>9</sup>

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### TITLE III—ASSIGNMENT OF SPECIALISTS

#### PERSONS TO BE ASSIGNED

SEC. 301.<sup>10</sup> The Secretary is authorized, when the government of another country is desirous of obtaining the services of a person having special scientific or other technical or professional qualifications, from time to time to assign or authorize the assignment for service, to or in cooperation with such government, any citizen of the United States in the employ or service of the Government of the United States who has such qualifications, with the approval of the Government agency in which such person is employed or serving. No person shall be assigned for service to or in cooperation with the government of any country unless (1) the Secretary finds that such assignment is neces-

<sup>6</sup> Sec. 201 was designated (a) and a new subsec. (b) was added by the Act of June 4, 1956, Public Law 555, 84th Cong. (70 Stat. 241).

<sup>7</sup> 22 U. S. C. § 1447.

<sup>8</sup> 22 U. S. C. § 1448.

<sup>9</sup> This section is referred to in sec. 104 (j) of Public Law 480, 88d Cong. (88 Stat. 454), as amended by Public Law 962, 84th Cong. (70 Stat. 988), approved August 8, 1956.

<sup>10</sup> 22 U. S. C. § 1451.

sary in the national interest of the United States, or (2) such government agrees to reimburse the United States in an amount equal to the compensation, travel expenses, and allowances payable to such person during the period of such assignment in accordance with the provisions of section 302, or (3) such government shall have made an advance of funds, property, or services as provided in section 902. Nothing in this Act, however, shall authorize the assignment of such personnel for service relating to the organization, training, operation, development, or combat equipment of the armed forces of a foreign government.

#### STATUS AND ALLOWANCES

SEC. 302.<sup>11</sup> Any citizen of the United States, while assigned for service to or in cooperation with another government under the authority of this Act, shall be considered, for the purpose of preserving his rights, allowances, and privileges as such, an officer or employee of the Government of the United States and of the Government agency from which assigned and he shall continue to receive compensation from that agency. He may also receive, under such regulations as the President may prescribe, representation allowances similar to those allowed under section 901 (3) of the Foreign Service Act of 1946 (60 Stat. 999). The authorization of such allowances and other benefits and the payment thereof out of any appropriations available therefor shall be considered as meeting all the requirements of section 1765 of the Revised Statutes.

#### ACCEPTANCE OF OFFICE UNDER ANOTHER GOVERNMENT

SEC. 303.<sup>12</sup> Any citizen of the United States while assigned for service to or in cooperation with another government under authority of this Act may, at the discretion of his Government agency, with the concurrence of the Secretary, and without additional compensation therefor, accept an office under the government to which he is assigned, if the acceptance of such an office in the opinion of such agency is necessary to permit the effective performance of duties for which he is assigned, including the making or approving on behalf of such foreign government the disbursement of funds provided by such government or of receiving from such foreign government funds for deposit and disbursement on behalf of such government, in carrying out programs undertaken pursuant to this Act: *Provided, however,* That such acceptance of office shall in no case involve the taking of an oath of allegiance to another government.

### TITLE IV—PARTICIPATION BY GOVERNMENT AGENCIES

#### GENERAL AUTHORITY

SEC. 401.<sup>13</sup> The Secretary is authorized, in carrying on any activity under the authority of this Act, to utilize, with the approval of the President, the services, facilities, and personnel of the other Government agencies. Whenever the Secretary shall use the services, facili-

<sup>11</sup> 22 U. S. C. § 1452.  
<sup>12</sup> 22 U. S. C. § 1453.  
<sup>13</sup> 22 U. S. C. § 1456.

ties, or personnel of any Government agency for activities under authority of this Act, the Secretary shall pay for such performance out of funds available to the Secretary under this Act, either in advance, by reimbursement, or direct transfer. The Secretary shall include in each report submitted to the Congress under section 1008 a statement of the services, facilities, and personnel of other Government agencies utilized in carrying on activities under the authority of this Act, showing the names and salaries of the personnel utilized, or performing services utilized, during the period covered by such report, and the amounts paid to such other agencies under this section as payment for such performance.

#### TECHNICAL AND OTHER SERVICES

SEC. 402.<sup>14</sup> A Government agency, at the request of the Secretary, may perform such technical or other services as such agency may be competent to render for the government of another country desirous of obtaining such services, upon terms and conditions which are satisfactory to the Secretary and to the head of the Government agency, when it is determined by the Secretary that such services will contribute to the purposes of this Act. However, nothing in this Act shall authorize the performance of services relating to the organization, training, operation, development, or combat equipment of the armed forces of a foreign government.

#### POLICY GOVERNING SERVICES

SEC. 403.<sup>15</sup> In authorizing the performance of technical and other services under this title, it is the sense of the Congress (1) that the Secretary shall encourage through any appropriate Government agency the performance of such services to foreign governments by qualified private American individuals and agencies, and shall not enter into the performance of such services to any foreign government where such services may be performed adequately by qualified private American individuals and agencies and such qualified individuals and agencies are available for the performance of such services; (2) that if such services are rendered by a Government agency, they shall demonstrate the technical accomplishments of the United States, such services being of an advisory, investigative, or instructional nature, or a demonstration of a technical process; (3) that such services shall not include the construction of public works or the supervision of the construction of public works, and that, under authority of this Act, a Government agency shall render engineering services related to public works only when the Secretary shall determine that the national interest demands the rendering of such services by a Government agency, but this policy shall not be interpreted to preclude the assignment of individual specialists as advisers to other governments as provided under title III of this Act, together with such incidental assistance as may be necessary for the accomplishment of their individual assignments.

<sup>14</sup> 22 U. S. C. § 1457.  
<sup>15</sup> 22 U. S. C. § 1458.

## TITLE V—DISSEMINATING INFORMATION ABOUT THE UNITED STATES ABROAD

### GENERAL AUTHORIZATION

SEC. 501.<sup>16</sup> The Secretary is authorized, when he finds it appropriate, to provide for the preparation, and dissemination abroad, of information about the United States, its people, and its policies, through press, publications, radio, motion pictures, and other information media, and through information centers and instructors abroad. Any such press release or radio script, on request, shall be available in the English language at the Department of State, at all reasonable times following its release as information abroad, for examination by representatives of United States press associations, newspapers, magazines, radio systems, and stations, and, on request, shall be made available to Members of Congress.

### POLICIES GOVERNING INFORMATION ACTIVITIES

SEC. 502.<sup>17</sup> In authorizing international information activities under this Act, it is the sense of the Congress (1) that the Secretary shall reduce such Government information activities whenever corresponding private information dissemination is found to be adequate; (2) that nothing in this Act shall be construed to give the Department a monopoly in the production or sponsorship on the air of short-wave broadcasting programs, or a monopoly in any other medium of information.

## TITLE VI—ADVISORY COMMISSIONS TO FORMULATE POLICIES

SEC. 601.<sup>18</sup> There are hereby created two advisory commissions, (1) United States Advisory Commission on Information (hereinafter in this title referred to as the Commission on Information) and (2) United States Advisory Commission on Educational Exchange (hereinafter in this title referred to as the Commission on Educational Exchange) to be constituted as provided in section 602. The Commissions shall formulate and recommend to the Secretary policies and programs for the carrying out of this Act: *Provided, however,* That the commissions created by this section shall have no authority over the Board of Foreign Scholarships or the program created by Public Law 584 of the Seventy-ninth Congress, enacted August 1, 1946, or the United States National Commission for UNESCO.

### MEMBERSHIP OF THE COMMISSION; GENERAL PROVISIONS

SEC. 602.<sup>19</sup> (a) Each Commission shall consist of five members, not more than three of whom shall be from any one political party. Members shall be appointed by the President, by and with the advice and consent of the Senate. No person holding any compensated Federal or State office shall be eligible for appointment.

<sup>16</sup> 22 U. S. C. § 1461.  
<sup>17</sup> 22 U. S. C. § 1462.  
<sup>18</sup> 22 U. S. C. § 1466.  
<sup>19</sup> 22 U. S. C. § 1467.

(b) The members of the Commission on Information shall represent the public interest, and shall be selected from a cross section of professional, business, and public service backgrounds.

(c) The members of the Commission on Educational Exchange shall represent the public interest and shall be selected from a cross section of educational, cultural, scientific, technical, and public service backgrounds.

(d) The term of each member appointed under subsection (a) of this section shall be three years, except that the terms of office of such members first taking office on each Commission shall expire, as designated by the President at the time of appointment, two at the end of one year, two at the end of two years, and one at the end of three years from the date of the enactment of this Act. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor is appointed shall be appointed for the remainder of such term. Upon the expiration of his term of office any member may continue to serve until his successor is appointed and has qualified.

(e) The President shall designate a chairman for each Commission from among members of the Commission.

(f) The members of the Commissions shall receive no compensation for their services as such members but shall be entitled to reimbursement for travel and subsistence in connection with attendance of meetings of the Commissions away from their places of residences, as provided in subsection (6) of section 801 of this Act.

(g) The Commissions are authorized to adopt such rules and regulations as they may deem necessary to carry out the authority conferred upon them by this title.

(h) The Department is authorized to provide the necessary secretarial and clerical assistance for the Commissions.

#### RECOMMENDATIONS AND REPORTS

SEC. 603.<sup>20</sup> The Commissions shall meet not less frequently than once each month during the first six months after their establishment, and thereafter at such intervals as the Commissions find advisable, and shall transmit to the Secretary a quarterly report, and to the Congress a semiannual report of all programs and activities carried on under the authority of this Act, including appraisals, where feasible, as to the effectiveness of the several programs, and such recommendations as shall have been made by the Commissions to the Secretary for effectuating the purposes and objectives of this Act and the action taken to carry out such recommendations.

### TITLE VII—APPROPRIATIONS

#### GENERAL AUTHORIZATION

SEC. 701.<sup>21</sup> Appropriations to carry out the purposes of this Act are hereby authorized.

<sup>20</sup> 22 U. S. C. § 1468.

<sup>21</sup> 22 U. S. C. § 1476.

TRANSFER OF FUNDS

SEC. 702.<sup>22</sup> The Secretary shall authorize the transfer to other Government agencies for expenditure in the United States and in other countries, in order to carry out the purposes of this Act, any part of any appropriations available to the Department for carrying out the purposes of this Act, for direct expenditure or as a working fund, and any such expenditures may be made under the specific authority contained in this Act or under the authority governing the activities of the Government agency to which a part of any such appropriation is transferred, provided the activities come within the scope of this Act.

TITLE VIII—ADMINISTRATIVE PROCEDURES

THE SECRETARY

SEC. 801.<sup>23</sup> In carrying out the purposes of this Act, the Secretary is authorized, in addition to and not in limitation of the authority otherwise vested in him—

(1) In carrying out title II of this Act, within the limitation of such appropriations as the Congress may provide to make grants of money, services, or materials to State and local governmental institutions in the United States, to governmental institutions in other countries, and to individuals and public or private nonprofit organizations both in the United States and in other countries;

(2) to furnish, sell, or rent, by contract or otherwise, educational and information materials and equipment for dissemination to, or use by, peoples of foreign countries;

(3) whenever necessary in carrying out title V of this Act, to purchase, rent, construct, improve, maintain, and operate facilities for radio transmission and reception, including the leasing of real property both within and without the continental limits of the United States for periods not to exceed ten years, or for longer periods if provided for by the appropriation Act;

(4) to provide for printing and binding outside the continental limits of the United States, without regard to section 11 of the Act of March 1, 1919 (44 U. S. C. 111);

(5) to employ, without regard to the civil-service and classification laws, when such employment is provided for by the appropriation Act, (i) persons on a temporary basis and (ii) aliens within the United States, but such employment of aliens shall be limited to services related to the translation or narration of colloquial speech in foreign languages when suitably qualified United States citizens are not available; and

(6) to create with the approval of the Commission on Information and the Commission on Educational Exchange, such advisory committees as the Secretary may decide to be of assistance in formulating his policies for carrying out the purposes of this Act. No committee member shall be allowed any salary or other compensation for services; but he may be paid his actual trans-

<sup>22</sup> 22 U. S. C. § 1477.  
<sup>23</sup> 22 U. S. C. § 1471.

portation expenses, and not to exceed \$10 per diem in lieu of subsistence and other expenses, while away from his home in attendance upon meetings within the United States or in consultation with the Department under instructions.

GOVERNMENT AGENCIES

SEC. 802.<sup>24</sup> In carrying on activities which further the purposes of this Act, subject to approval of such activities by the Secretary, the Department and the other Government agencies are authorized—

(1) to place orders and make purchases and rentals of materials and equipment;

(2) to make contracts, including contracts with governmental agencies, foreign or domestic, including subdivisions thereof, and intergovernmental organizations of which the United States is a member, and, with respect to contracts entered into in foreign countries, without regard to section 3741 of the Revised Statutes (41 U. S. C. 22);

(3) under such regulations as the Secretary may prescribe, to pay the transportation expenses, and not to exceed \$10 per diem in lieu of subsistence and other expenses, of citizens or subjects of other countries, without regard to the Standardized Government Travel Regulations and the Subsistence Act of 1926, as amended; and

(4) to make grants for, and to pay expenses incident to, training and study.

MAXIMUM USE OF EXISTING GOVERNMENT PROPERTY AND FACILITIES

SEC. 803.<sup>25</sup> In carrying on activities under this Act which require the utilization of Government property and facilities, maximum use shall be made of existing Government property and facilities.

TITLE IX.—FUNDS PROVIDED BY OTHER SOURCES

REIMBURSEMENT

SEC. 901.<sup>26</sup> The Secretary shall, when he finds it in the public interest, request and accept reimbursement from any cooperating governmental or private source in a foreign country, or from State or local governmental institutions or private sources in the United States, for all or part of the expenses of any portion of the program undertaken hereunder. The amounts so received shall be covered into the Treasury as miscellaneous receipts.

ADVANCE OF FUNDS

SEC. 902.<sup>27</sup> If any other government shall express the desire to provide funds, property, or services to be used by this Government, in whole or in part, for the expenses of any specific part of the program undertaken pursuant to this Act, the Secretary is authorized, when he finds it in the public interest, to accept such funds, property, or

<sup>24</sup> 22 U. S. C. § 1472.  
<sup>25</sup> 22 U. S. C. § 1473.  
<sup>26</sup> 22 U. S. C. § 1478.  
<sup>27</sup> 22 U. S. C. § 1470.

services. Funds so received may be established as a special deposit account in the Treasury of the United States, to be available for the specified purpose, and to be used for reimbursement of appropriations or direct expenditure, subject to the provisions of this Act. Any unexpended balance of the special deposit account and other property received, under this section and no longer required for the purposes for which provided shall be returned to the government providing the funds or property.

## TITLE X—MISCELLANEOUS

### LOYALTY CHECK ON PERSONNEL

SEC. 1001.<sup>28</sup> No citizen or resident of the United States, whether or not now in the employ of the Government, may be employed or assigned to duties by the Government under this Act until such individual has been investigated by the Civil Service Commission and a report thereon has been made to the Secretary of State: *Provided, however,* That any present employee of the Government, pending the report as to such employee by the Civil Service Commission, may be employed or assigned to duties under this Act for the period of six months from the date of its enactment. This section shall not apply in the case of any officer appointed by the President by and with the advice and consent of the Senate.<sup>29</sup>

### DELEGATION OF AUTHORITY

SEC. 1002.<sup>30</sup> The Secretary may delegate, to such officers of the Government as the Secretary determines to be appropriate, any of the powers conferred upon him by this Act to the extent that he finds such delegation to be in the interest of the purposes expressed in this Act and the efficient administration of the programs undertaken pursuant to this Act.

### RESTRICTED INFORMATION

SEC. 1003.<sup>31</sup> Nothing in this Act shall authorize the disclosure of any information or knowledge in any case in which such disclosure (1) is prohibited by any other law of the United States, or (2) is inconsistent with the security of the United States.

### REPEAL OF ACT OF MAY 25, 1938, AS AMENDED

SEC. 1004.<sup>32</sup> (a) The Act of May 25, 1938, entitled "An Act authorizing the temporary detail of United States employees, possessing special qualifications, to governments of American Republics and the Philippines, and for other purposes," as amended (52 Stat. 442; 53 Stat. 652), is hereby repealed.

(b) Existing Executive orders and regulations pertaining to the administration of such Act of May 25, 1938, as amended, shall remain

<sup>28</sup> 22 U. S. C. § 1434.

<sup>29</sup> This section was amended by the Act of April 5, 1952, Public Law 298, 82d Congress (66 Stat. 43), substituting "Civil Service Commission" for "Federal Bureau of Investigation" where it appeared.

<sup>30</sup> 22 U. S. C. § 1435.

<sup>31</sup> 22 U. S. C. § 1436.

<sup>32</sup> Not codified.

in effect until superseded by regulations prescribed under the provisions of this Act.

(c) Any reference in the Foreign Service Act of 1946 (60 Stat. 999), or in any other law, to provisions of such Act of May 25, 1938, as amended, shall be construed to be applicable to the appropriate provisions of titles III and IX of this Act.

#### UTILIZATION OF PRIVATE AGENCIES

SEC. 1005.<sup>33</sup> In carrying out the provisions of this Act it shall be the duty of the Secretary to utilize, to the maximum extent practicable, the services and facilities of private agencies, including existing American press, publishing, radio, motion picture, and other agencies, through contractual arrangements or otherwise. It is the intent of Congress that the Secretary shall encourage participation in carrying out the purposes of this Act by the maximum number of different private agencies in each field consistent with the present or potential market for their services in each country.

#### TERMINATION PURSUANT TO CONCURRENT RESOLUTION OF CONGRESS

SEC. 1006.<sup>34</sup> The authority granted under this Act shall terminate whenever such termination is directed by concurrent resolution of the two Houses of the Congress.

#### VETERANS' PREFERENCE ACT

SEC. 1007.<sup>35</sup> No provision of this Act shall be construed to modify or to repeal the provisions of the Veterans' Preference Act of 1944.

#### REPORTS TO CONGRESS

SEC. 1008.<sup>36</sup> The Secretary shall submit to the Congress semiannual reports of expenditures made and activities carried on under authority of this Act, inclusive of appraisals and measurements, where feasible, as to the effectiveness of the several programs in each country where conducted.

#### REGULATORY PROVISIONS TO APPLY TO ALL INTERNATIONAL INFORMATION ACTIVITIES AND EDUCATIONAL EXCHANGES OF STATE DEPARTMENT

SEC. 1009.<sup>37</sup> All provisions in this Act regulating the administration of international information activities and educational exchanges provided herein, shall apply to all such international activities under jurisdiction of the Department of State.

#### SEPARABILITY OF PROVISIONS

SEC. 1010.<sup>38</sup> If any provision of this Act or the application of any such provision to any person or circumstance shall be held invalid, the validity of the remainder of the Act and the applicability of such

<sup>33</sup> 22 U. S. C. § 1487.

<sup>34</sup> Not codified.

<sup>35</sup> 22 U. S. C. § 1488.

<sup>36</sup> 22 U. S. C. § 1489.

<sup>37</sup> 22 U. S. C. § 1440.

<sup>38</sup> Not codified.

provision to other persons or circumstances shall not be affected thereby.

INFORMATIONAL MEDIA GUARANTIES

SEC. 1011.<sup>39</sup> (a) The Director of the United States Information Agency may make guaranties, in accordance with the provisions of subsection (b) of section 413 of the Mutual Security Act of 1954, of investments in enterprises producing or distributing informational media consistent with the national interests of the United States.<sup>40</sup>

(b) The Director is authorized to assume the obligation of not to exceed \$28,000,000 of the notes authorized to be issued pursuant to subsection 111 (c) (2) of the Economic Cooperation Act of 1948, as amended (22 U. S. C. 1509 (c) (2)), together with the interest accrued and unpaid thereon, and to obtain advances from time to time from the Secretary of the Treasury up to such amount, less amounts previously advanced on such notes, as provided for in said notes. Such advances shall be deposited in a special account in the Treasury available for payments under informational media guaranties.

(c) The Director is authorized to make informational media guaranties without regard to the limitations of time contained in subsection 413 (b) (4) of the Mutual Security Act of 1954, as amended (22 U. S. C. 1933 (b) (4)), but the total of such guaranties outstanding at any one time shall not exceed the sum of the face amount of the notes assumed by the Director less the amounts previously advanced on such notes by the Secretary of the Treasury plus the amount of the funds in the special account referred to in subsection (b).

(d) Foreign currencies available after June 30, 1955, from conversions made pursuant to the obligation of informational media guaranties may be sold, in accordance with Treasury Department regulations, for dollars which shall be deposited in the special account and shall be available for payments under new guaranties. Such currencies shall be available, as may be provided for by the Congress in appropriation Acts, for use for educational, scientific, and cultural purposes which are in the national interest of the United States, and for such other purposes of mutual interest as may be agreed to by the governments of the United States and the country from which the currencies derive.

(e) Notwithstanding the provisions of subparagraph 413 (b) (4) (E) of the Mutual Security Act of 1954, as amended (22 U. S. C. 1933 (b) (4) (E), (1)) fees collected for the issuance of informational media guaranties shall be deposited in the special account and shall be available for payments under informational media guaranties; and (2) the Director may require the payment of a minimum charge of up to fifty dollars for issuance of guaranty contracts, or amendments thereto.

(f) The Director is further authorized, under such terms as he may prescribe, to make advance payments under informational media guaranties: *Provided*, That currencies receivable from holders of such guaranties on account of such advance payments shall be paid to the United States within nine months from the date of the advance pay-

<sup>39</sup> 22 U. S. C. § 1442.

<sup>40</sup> This subsection was added by the Mutual Security Act of 1954, approved August 26, 1954 (68 Stat. 862).

ment and that appropriate security to assure such payments is required before any advance payment is made.

(g) As soon as feasible after the enactment of this subsection, all assets, liabilities, income, expenses, and charges of whatever kind pertaining to informational media guaranties, including any charges against the authority to issue notes provided in section 111 (c) (2) of the Economic Cooperation Act of 1948, as amended, cumulative from the enactment of that Act, shall be accounted for separately from other guaranties issued pursuant to subsection 413 (b) of the Mutual Security Act of 1954, as amended (22 U. S. C. 1933 (b)): *Provided*, That there shall be transferred from the special account established pursuant to subsection (b), into the account available for payments under guaranties other than informational media guaranties, an amount equal to the total of the fees received for the issuance of guaranties other than informational media guaranties, and used to make payments under informational media guaranties.<sup>41</sup>

(h) (1) There is authorized to be appropriated annually an amount to restore in whole or in part any realized impairment to the capital used in carrying on the authority to make informational media guaranties, as provided in subsection (c), through the end of the last completed fiscal year.

(2) Such impairment shall consist of the amount by which the losses incurred and interest accrued on notes exceed the revenue earned and any previous appropriations made for the restoration of impairment. Losses shall include the dollar losses on foreign currencies sold, and the dollar cost of foreign currencies which (a) the Secretary of the Treasury, after consultation with the Director, has determined to be unavailable for, or in excess of, requirements of the United States, or (b) have been transferred to other accounts without reimbursement to the special account.

(3) Dollars appropriated pursuant to this section shall be applied to the payment of interest and in satisfaction of notes issued or assumed hereunder, and to the extent of such application to the principal of the notes, the Director is authorized to issue notes to the Secretary of the Treasury which will bear interest at a rate to be determined by the Secretary of the Treasury, taking into consideration the current average market yields of outstanding marketable obligations of the United States having maturities comparable to the guaranties. The currencies determined to be unavailable for, or in excess of, requirements of the United States as provided above shall be transferred to the Secretary of the Treasury to be held until disposed of, and any dollar proceeds realized from such disposition shall be deposited in miscellaneous receipts.<sup>42</sup>

<sup>41</sup> Sec. 1011 redesignated (a) and new subsecs. (d) through (g) added by the Mutual Security Act of 1956, approved July 18, 1956 (70 Stat. 555).

<sup>42</sup> Sec. (h) was added by the Mutual Security Act of 1958, approved June 30, 1958 (72 Stat. 261).

## 2. Government-Owned Facilities for International Broadcasting

Text of Public Law 161, 81st Congress [H. R. 2282], Approved July 9, 1949<sup>1</sup>

### AN ACT

To make certain Government-owned facilities available for international broadcasting in the furtherance of authorized programs of the Department of State, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, for the purpose of assuring continued operation of the facilities hereinafter described for international broadcasting as a means of achieving the objectives of the United States Information and Educational Exchange Act of 1948 (Public Law 402, Eightieth Congress) under authority of that Act, the Reconstruction Finance Corporation, as successor to Defense Plant Corporation, shall transfer, without regard to the provisions of the Surplus Property Act of 1944, as amended, and without reimbursement or transfer of funds, to the Secretary of State (hereinafter referred to as the "Secretary") all of its right, title, and interest in and to the facilities known as Plancors 1805, 1985, and 1986 located in Butler County, Ohio, in the vicinity of Delano, California, and Dixon, California, respectively, together with the equipment and other property appurtenant thereto. For the purpose of this Act, the Secretary is authorized to acquire property or rights or interests therein necessary or desirable for the operation of such facilities by purchase, lease, gift, transfer, condemnation, or otherwise.

Sec. 2. Whenever the Secretary finds that the operation of the facilities herein authorized to be transferred is no longer necessary or desirable, he shall report such fact to Congress with his recommendations for the disposition of such facilities.

Sec. 3. The Department of State shall assume all obligations of the Reconstruction Finance Corporation covering operations of said facilities, equipment, and appurtenant property outstanding at the date of transfer.

Approved July 9, 1949.

<sup>1</sup> Not codified.

### 3. Reorganization Plan No. 8 of 1953<sup>1</sup>

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, June 1, 1953, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949, as amended

#### UNITED STATES INFORMATION AGENCY

SECTION 1. *Establishment of agency.*—(a) There is hereby established a new agency which shall be known as the United States Information Agency, hereinafter referred to as the Agency.

(b) There shall be at the head of the Agency a Director of the United States Information Agency, hereinafter referred to as the Director. The Director shall be appointed by the President by and with the advice and consent of the Senate and shall receive compensation at the rate of \$21,000 a year. The Secretary of State shall advise with the President concerning the appointment and tenure of the Director.<sup>2</sup>

(c) There shall be in the Agency a Deputy Director of the United States Information Agency, who shall be appointed by the President by and with the advice and consent of the Senate, and who shall receive compensation at the rate of \$20,500 a year. The Deputy Director shall perform such functions as the Director shall from time to time designate, and shall act as Director during the absence or disability of the Director or in the event of a vacancy in the office of the Director.<sup>3</sup>

(d) There are hereby established in the Agency so many new offices, not in excess of fifteen existing at any one time, and with such title or titles, as the Director shall from time to time determine. Appointment thereto shall be under the classified civil service and the compensation thereof shall be fixed from time to time pursuant to the classification laws, as now or hereafter amended.<sup>4</sup>

SEC. 2. *Transfer of functions.*—(a) Subject to subsection (c) of this section, there are hereby transferred to the Director, (1) the functions vested in the Secretary of State by Title V of the United States Information and Educational Exchange Act of 1948, as amended, and so much of functions with respect to the interchange of books and periodicals and aid to libraries and community centers under sections 202 and 203 of the said Act as is an integral part of information programs under that Act, together with so much of the functions vested in the Secretary of State by other provisions of the said Act as is incidental to or is necessary for the performance of the functions under Title V and sections 202 and 203 transferred by

<sup>1</sup> 22 U. S. C. § 1461 (note).

<sup>2</sup> Salary increased from \$17,500 by Federal Executive Pay Act of 1956, Public Law 854, 84th Congress (70 Stat. 736).

<sup>3</sup> Salary increased from \$16,000 by the same Act.

<sup>4</sup> Sec. 12 (c) (21) of the Federal Employees' Salary Increase Act of 1955, Public Law 94, 84th Congress (69 Stat. 183), repealed the following language which originally completed the subsection "except that the compensation may be fixed without regard to the numerical limitations on positions set forth in section 505 of the Classification Act of 1949, as amended (5 U. S. C. 1105)."

this section, and (2) functions of the Secretary of State with respect to information programs relating to Germany and Austria.

(b) Exclusive of so much thereof as is an integral part of economic or technical assistance programs, without regard to any inconsistent provision of Reorganization Plan No. 7 of 1953, and subject to subsection (c) of this section, functions with respect to foreign information programs vested by the Mutual Security Act of 1951, as amended, in the Director for Mutual Security provided for in section 501 of the said Act are hereby transferred to the Director.

(c) (1) The Secretary of State shall direct the policy and control the content of a program, for use abroad, on official United States positions, including interpretations of current events, identified as official positions by an exclusive descriptive label.

(2) The Secretary of State shall continue to provide to the Director on a current basis full guidance concerning the foreign policy of the United States.

(3) Nothing herein shall affect the functions of the Secretary of State with respect to conducting negotiations with other governments.

(d) To the extent the President deems it necessary in order to carry out the functions transferred by the foregoing provisions of this section, he may authorize the Director to exercise, in relation to the respective functions so transferred, any authority or part thereof available by law, including appropriation acts, to the Secretary of State, the Director for Mutual Security, or the Director of the Foreign Operations Administration, in respect of the said transferred functions.

Sec. 3. *Performance of transferred functions.*—(a) The Director may from time to time make such provisions as he shall deem appropriate authorizing the performance of any function of the Director by any other officer, or by any employee or organizational entity, of the Agency.

(b) Representatives of the United States carrying out the functions transferred by section 2 hereof in each foreign country shall be subject to such procedures as the President may prescribe to assure coordination among such representatives in each country under the leadership of the Chief of the United States Diplomatic Mission.

Sec. 4. *Incidental transfers.*—(a) So much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds, employed, used, held available, or to be made available in connection with the functions transferred or vested by this reorganization plan as the Director of the Bureau of the Budget shall determine shall be transferred to the Agency at such time or times as he shall direct.

(b) Such further measures and dispositions as the Director of the Bureau of the Budget shall deem to be necessary in order to effectuate the transfers provided for in subsection (a) of this section shall be carried out in such manner as he shall direct and by such agencies as he shall designate.

Sec. 5. *Interim provisions.*—Pending the initial appointment under section 1 of this reorganization plan of the Director and Deputy Director, respectively, therein provided for, their functions shall be performed temporarily, but not for a period in excess of 60 days, by such officers of the Department of State or the Mutual Security Agency as the President shall designate.

#### 4. Executive Order No. 10477

Text of Executive Order No. 10477, August 1, 1953, 18 F. R. 4540

AUTHORIZING THE DIRECTOR OF THE UNITED STATES INFORMATION AGENCY TO EXERCISE CERTAIN AUTHORITY AVAILABLE BY LAW TO THE SECRETARY OF STATE AND THE DIRECTOR OF THE FOREIGN OPERATIONS ADMINISTRATION

By virtue of the authority vested in me by section 2 (d) of Reorganization Plan No. 8 of 1953, and as President of the United States, it is ordered as follows:

SECTION 1. *Determination.* It is hereby determined that it is necessary, in order to carry out the functions transferred to the Director of the United States Information Agency (hereinafter referred to as the Director) by the provisions of subsections (a), (b), and (c) of section 2 of the said Reorganization Plan No. 8 of 1953, to authorize the Director to exercise, in relation to the respective function so transferred, the authority specified in sections 2 and 3 hereof.

SEC. 2. *Authority under the Foreign Service Act and related laws.* (a) Except as provided in section 2 (c) of this order, the Director is authorized to exercise, with respect to Foreign Service Reserve officers, Foreign Service staff officers and employees, and alien clerks and employees employed to perform the said transferred functions, the authority available to the Secretary of State under the Foreign Service Act of 1946, 60 Stat. 999, as heretofore or hereafter amended, or under any other provision of law pertaining specifically, or generally applicable, to Foreign Service Reserve officers, Foreign Service staff officers and employees, and alien clerks and employees, including the authority to prescribe regulations, not inconsistent with applicable laws, incident to the exercise of such authority. The Director is further authorized to exercise in the performance of the said transferred functions the authority available to the Secretary of State under sections 561 and 562 of the Foreign Service Act of 1946, as amended, and under sections 1021 through 1071 thereof.

(b) The prohibitions and requirements contained in sections 1001 through 1005 and section 1011 of the Foreign Service Act of 1946, as amended, shall be applicable to the personnel of the United States Information Agency.

(c) There are hereby excluded from the authority granted to the Director by section 2 (a) of this order the following-described powers now vested in or delegated to the Secretary of State:

(1) The authority of the Secretary of State to make recommendations to the President for the commissioning of Foreign Service Reserve officers as diplomatic or consular officers, or both, under section 524 of the Foreign Service Act of 1946, as amended, and to make recommendations for the commissioning of Foreign Service staff officers or employees as consuls under section 533 of such act, and the authority of the Secretary to commission Foreign Service staff officers

as vice consuls under the said section 533. The Director may, whenever he considers it necessary to carry out the functions transferred to him by the said Reorganization Plan No. 8 of 1953, request the Secretary of State to recommend to the President that persons employed under section 2 (a) of this order be commissioned as diplomatic or consular officers, or both, or to grant such persons diplomatic or consular commissions, as appropriate.

(2) The authority vested in the President by sections 443 and 901 of the Foreign Service Act of 1946, as amended, which has been delegated to the Secretary of State by Executive Orders Nos. 10,000 and 10,011, and successive amendments thereof, to designate places, fix rates, and prescribe regulations governing the payment of additional compensation, known as "foreign post differential", to employees in foreign areas of executive departments and independent establishments of the United States, and to designate places, fix rates, and prescribe regulations, with respect to civilian employees of the Government serving abroad, governing living-quarters allowances, cost-of-living allowances, and representation allowances.

SEC. 3. *Authority under various other statutes.* The Director is authorized to exercise the authority available to the Secretary of State or the Director of the Foreign Operations Administration, as the case may be, under the following-described provisions of law:

(a) The Foreign Service Buildings Act of 1926, as amended (22 U. S. C. 292-300), regarding the acquisition, construction, alteration, repair, furnishing, exchange, and disposal of buildings and grounds in foreign countries.

(b) The act of July 9, 1949 (5 U. S. C. 170a, b, and c), regarding the transfer, acquisition, use, and disposal of international broadcasting facilities.

(c) The act of August 3, 1950 (19 U. S. C. 1201, par. 1628), regarding the importation of sound recordings.

(d) The provisions under the first heading "Salaries and Expenses" of the Department of State Appropriation Act, 1954, regarding (1) employment of aliens, by contract, for services abroad, (2) purchase of uniforms, (3) cost of transporting to and from a place of storage and the cost of storing the furniture and household effects of an employee of the Foreign Service who is assigned to a post at which he is unable to use his furniture and effects, under such regulations as the Secretary of State may prescribe, (4) dues for library membership in organizations which issue publications to members only, or to members at a price lower than to others, (5) examination of estimates of appropriations in the field, (6) purchase of ice and drinking water abroad, (7) payment of excise taxes on negotiable instruments abroad, and (8) procurement, by contract or otherwise, of services, supplies, and facilities, as follows: (i) maintenance, improvement, and repair of properties used for international information activities in foreign countries, (ii) fuel and utilities for Government-owned or leased property abroad, and (iii) rental or lease for periods not exceeding ten years of offices, buildings, ground, and living quarters, and the furnishing of living quarters to officers and employees engaged in international information activities abroad (22 U. S. C. 291).

(e) The provisions of the Department of State Appropriation Act, 1954, regarding (1) exchange of funds for payment of expenses in connection with the operation of information establishments abroad

without regard to the provisions of section 3651 of the Revised Statutes (31 U. S. C. 543), (section 103 of the General Provisions of the Department of State Appropriation Act, 1954), (2) payment of travel expenses outside the continental limits of the United States from funds available in the fiscal year that such travel is authorized and actually begins (section 104 of the General Provisions of the Department of State Appropriation Act, 1954), (3) granting authority to the chief of each information Field Staff to approve, with the concurrence of the Chief of Mission, use of Government-owned vehicles for travel under conditions described in section 105 of the General Provisions of the Department of State Appropriation Act, 1954, and (4) purchase with foreign currencies for use abroad of passenger motor vehicles (exclusive of buses, ambulances, and station wagons) at a cost not to exceed the equivalent of \$2,200 for each vehicle (section 106 of the General Provisions of the Department of State Appropriation Act, 1954).

(f) Section 202 of the Revised Statutes of the United States (5 U. S. C. 156), so far as it authorizes the Secretary of State to keep the American public informed about the international information aspects of the United States foreign affairs.

(g) Section 504 (d) of the Mutual Security Act of 1951, as amended (relating to reduction in personnel), with respect to personnel transferred from the Mutual Security Agency or the Foreign Operations Administration to the United States Information Agency.

(h) Section 161 of the Revised Statutes of the United States (5 U. S. C. 22) and section 4 of the act of May 26, 1949 (5 U. S. C. 151c), regarding the promulgation of rules and regulations and the delegation of authority.

SEC. 4. *Effective date.* This order shall become effective on August 1, 1953.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 1, 1953.*

**5. Executive Order No. 10522**

**Text of Executive Order No. 10522, March 26, 1954, 19 F. R. 1689**

**AUTHORIZING THE DIRECTOR OF THE UNITED STATES INFORMATION AGENCY TO CARRY OUT CERTAIN FUNCTIONS OF THE BOARD OF THE FOREIGN SERVICE**

By virtue of the authority vested in me by Chapter III of the Supplemental Appropriation Act of 1954 (Public Law 207, 83rd Congress; 7 Stat. 419), and as President of the United States, it is ordered as follows:

SECTION 1. The Director of the United States Information Agency is hereby authorized to carry out the functions of the Board of the Foreign Service, provided for by the Foreign Service Act of 1946 (60 Stat. 999; 22 U. S. C. 801 et seq.), with respect to personnel appointed or assigned for service in the United States Information Agency under the provisions of such Act, as amended: *Provided*, That nothing herein contained shall be construed as transferring to the said Director any function of the said Board relating to any Foreign Service Officer.

SEC. 2. The Director of the United States Information Agency is hereby authorized to prescribe such regulations and issue such orders and instructions, not inconsistent with law, as may be necessary or desirable for carrying out his functions under section 1 of this order.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *March 26, 1954.*

## 6. The International Cultural Exchange and Trade Fair Participation Act of 1956<sup>1</sup>

Text of Public Law 860, 84th Congress [S. 3116], 70 Stat. 778, approved  
August 1, 1956

AN ACT To provide for the promotion and strengthening of international relations through cultural and athletic exchanges and participation in international fairs and festivals.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "International Cultural Exchange and Trade Fair Participation Act of 1956".

SEC. 2.<sup>2</sup> The purpose of this Act is to strengthen the ties which unite us with other nations by demonstrating the cultural interests, developments, and achievements of the people of the United States, and the contributions being made by the United States economic and social system toward a peaceful and more fruitful life for its own people and other people throughout the world; and thus to assist in the development of friendly, sympathetic, and peaceful relations between the United States and the other countries of the world.

SEC. 3.<sup>3</sup> The President is authorized to provide for—

(1) tours in countries abroad by creative and performing artists and athletes from the United States, individually and in groups, representing any field of the arts, sports, or any other form of cultural attainment;

(2) United States representation in artistic, dramatic, musical, sports, and other cultural festivals, competitions, and like exhibitions abroad;

(3) United States participation in international fairs and expositions abroad, including trade and industrial fairs and other public or private demonstrations of United States industrial accomplishments and cultural attainments: *Provided*, That in order to appropriately represent the United States in connection with participation in the Brussels Universal and International Exhibition to be held at Brussels, Belgium, in 1958, the President is authorized to appoint or designate a Commissioner General, by and with the advice and consent of the Senate, and not to exceed two other principal representatives, who shall receive compensation, allowances, and benefits as determined by the President but not in excess of that received by a chief of mission at a class 2 post, pursuant to the Foreign Service Act of 1946, as amended (22 U. S. C. 801): *Provided further*, That no officer of the United States Government who is designated under the foregoing proviso as Commissioner General or as a principal representative shall be entitled to receive such compensation; and

<sup>1</sup> Also referred to as "The President's Special International Program" in the various appropriation Acts and popular usage.

<sup>2</sup> 22 U. S. C. § 1991.

<sup>3</sup> 22 U. S. C. § 1992.

(4) publicity and promotion (including representation) abroad of activities of the type provided for herein.

SEC. 4.<sup>4</sup> To the maximum extent feasible (1) private individuals, firms, associations, agencies, and other groups shall be encouraged to make contributions of funds, property, and services (which shall be available to carry out this Act) and otherwise to participate in carrying out this Act, and (2) funds appropriated pursuant to section 5 shall be used to contribute toward meeting the expenses of activities carried out through normal private channels and by private means.

SEC. 5.<sup>5</sup> There are hereby authorized to be appropriated, to remain available until expended, such sums as may be necessary to carry out this Act.

SEC. 6.<sup>6</sup> In carrying out this Act, the provisions of title VIII of the United States Information and Educational Exchange Act of 1948 may be utilized to the extent the President deems necessary.

SEC. 7.<sup>7</sup> The President is authorized to provide for all necessary expenditures involved in the selection, purchase, rental, construction, or other acquisition of exhibits and materials and equipment therefor, and the actual display thereof, including but not limited to costs of transportation, insurance, installation, safekeeping, and storage, maintenance and operation, rental of space, and dismantling.

SEC. 8.<sup>8</sup> Whenever the President determines it to be in furtherance of this Act, the functions authorized hereunder may be performed without regard to such provisions of law or limitations of authority regulating or relating to the making, performance, amendment, or modification of contracts, the acquisition and disposition of property, and the expenditure of Government funds, as he may specify.

SEC. 9.<sup>9</sup> The President shall transmit to the Congress reports covering each six months of operations under this Act.

SEC. 10.<sup>10</sup> (a) There is hereby created an Advisory Committee on the Arts (hereinafter in this section referred to as the "Committee"), consisting of a Chairman selected by the United States Advisory Commission on Educational Exchange from among its membership and nine other members appointed by the Secretary of State. In making such appointments the Secretary of State shall give due consideration to the recommendations for nomination submitted by leading national organizations in the major art fields.

(b) The members of the Committee shall be individuals whose knowledge of or experience in, or whose profound interest in, one or more of the arts will enable them to assist the United States Advisory Commission on Educational Exchange, the President, and the Secretary of State in performing the functions described in subsection (c) of this section.

(c) The Committee shall—

(1) advise and assist the United States Advisory Commission on Educational Exchange in the discharge of its responsibilities in the field of international educational exchange under the United States Information and Educational Exchange Act of 1948 as amended, with special reference to the role of the arts in such field;

<sup>4</sup> 22 U. S. C. § 1993.  
<sup>5</sup> 22 U. S. C. § 1994.  
<sup>6</sup> 22 U. S. C. § 1995.  
<sup>7</sup> 22 U. S. C. § 1996.  
<sup>8</sup> 22 U. S. C. § 1997.  
<sup>9</sup> 22 U. S. C. § 1998.  
<sup>10</sup> 22 U. S. C. § 1999.

(2) advise, assist, and cooperate with such Commission in the discharge of responsibilities under the cultural presentations program authorized by and financed under this Act, insofar as such program contributes directly or indirectly to the objectives of the United States Information and Educational Exchange Act of 1948, as amended;

(3) advise the President in the discharge of his responsibilities under the cultural exchange program authorized by and financed under this Act;

(4) advise the Secretary of State concerning cultural activities whenever the Secretary considers it necessary to enable him to formulate policies for carrying out the purposes of the United States Information and Educational Exchange Act of 1948, co-ordinating the exercise of its functions under this paragraph with the exercise of its functions under paragraph (1) of this subsection; and

(5) provide such other advice and assistance in carrying out this Act as may be necessary or appropriate.

(d) The term of office of each of the members of the Committee appointed by the Secretary of State shall be two years; except that the term of office of four of the members first appointed shall be one year.

(e) No member of the Committee shall receive any compensation for his services as such; but each such member shall be paid actual transportation expenses and paid in lieu of subsistence the per diem rates prescribed or established pursuant to section 5 of the Administrative Expense Act of 1946, as amended (5 U. S. C. 73b-2), while away from home in attendance at meetings of the Committee or in consultation with officials of the Government in carrying out the duties of the Committee.

(f) Staff and secretarial services for the Committee shall be provided by the departmental staff of the United States Advisory Commission on Educational Exchange, with the assistance of the International Educational Exchange Service.

SEC. 11.<sup>11</sup> The President is authorized to create such interagency committees as in his judgment may be of assistance in carrying out the purposes of this Act. Such committees shall include individuals having special knowledge and experience in the field of the cultural arts as well as individuals whose knowledge and experience in other fields will assist in carrying out the program established by this Act. The provisions of section 214 of the Act of May 3, 1945 (59 Stat. 134; 31 U. S. C., sec. 691), shall be applicable to any interagency committee created pursuant to this section.

SEC. 12.<sup>12</sup> The cultural program authorized by this Act should include, to the greatest extent possible, presentations and other activities in such major art fields as: music, drama, poetry, and dance; new writing and literature; architecture, landscape architecture, city and regional planning, civic art and design, historic preservation; housing, interior design and decoration, and urban renewal and redevelopment; painting, sculpture, graphic arts, and hand arts and crafts; motion pictures and photography; and radio and television.

Approved August 1, 1956.

<sup>11</sup> 22 U. S. C. § 2000.

<sup>12</sup> 22 U. S. C. § 2001.

## 7. Executive Order No. 10716

Text of Executive Order No. 10716, June 17, 1957, 22 F. R. 4344

### ADMINISTRATION OF THE INTERNATIONAL CULTURAL EXCHANGE AND TRADE FAIR PARTICIPATION ACT OF 1956

By virtue of the authority vested in me by the International Cultural Exchange and Trade Fair Participation Act of 1956 (70 Stat. 778), by section 301 of title 3 of the United States Code, and as President of the United States, it is hereby ordered as follows:

SECTION 1. *United States Information Agency.* (a) Except in respect of the functions delegated by section 2 (c), or reserved by section 4, of this order, the Director of the United States Information Agency shall coordinate the functions provided for in the International Cultural Exchange and Trade Fair Participation Act of 1956 (hereinafter referred to as the Act) and shall be responsible for advising the President and keeping him informed with respect to the said functions:

(b) The following-designated functions conferred upon the President by the Act are hereby delegated to the Director of the United States Information Agency:

(1) The functions so conferred by the provisions of section 3 (2) of the Act (the provisions of section 2 (b) of this order notwithstanding).

(2) The functions so conferred by section 3 (4) of the Act (the provisions of sections 2 (d) and 3 (b) of this order notwithstanding).

(3) The functions so conferred by section 11 of the Act, except to the extent that such functions are delegated by section 2 (c) of this order.

(4) The functions so conferred by section 4, 6, and 7 of the Act to the extent that they pertain to the functions delegated by the foregoing provisions of this section.

(c) The Director of the United States Information Agency, with such assistance of the Department of State and the Department of Commerce as may be appropriate, shall prepare and transmit to the President the reports which the President is required to transmit to the Congress by section 9 of the Act.

(d) The Director of the United States Information Agency shall consult with the Secretary of State or the Secretary of Commerce, or both, in connection with the establishment of any interagency committees under the authority delegated by section 1 (b) (3) of this order the activities of which will pertain to functions delegated by section 2 or section 3 of this order, or both, respectively.

(e) Funds appropriated or otherwise made available to the President to carry out the purposes of the Act shall be allocated by the Director of the United States Information Agency to the Department

of State as may be necessary to carry out the functions delegated under section 2 of this order; to the Department of Commerce as may be necessary to carry out the functions delegated under section 3 of this order; and to such other departments or agencies of the Government as may be deemed necessary to carry out the purposes of the Act. The agencies to which funds are so allocated shall obtain apportionments thereof directly from the Bureau of the Budget.

#### ADMINISTRATION OF TRADE FAIR ACT OF 1956

SEC. 2. *Department of State.* Subject to the provisions of sections 1 (a) and 4 of this order, the following-designated functions conferred upon the President by the Act are hereby delegated to the Secretary of State:

- (a) The functions so conferred by sections 3 (1), 10 (b), and 10 (c) (3) of the Act.
- (b) The functions so conferred by section 3 (2) of the Act (the provisions of section 1 (b) (1) of this order notwithstanding).
- (c) The functions so conferred by section 3 (3) of the Act to the extent that they pertain to the Universal and International Exhibition of Brussels, 1958, together with the functions so conferred by section 11 of the Act to the extent that they pertain to the said Exhibition.
- (d) The functions so conferred by sections 3 (4), 4, 6, and 7 of the Act to the extent that they pertain to the functions delegated by the foregoing provisions of this section.

SEC. 3. *Department of Commerce.* Subject to the provisions of sections 1 (a) and 4 of this order, the following-designated functions conferred upon the President by the Act are hereby delegated to the Secretary of Commerce:

- (a) The functions so conferred by section 3 (3) of the Act, exclusive of functions pertaining to the Universal and International Exhibition of Brussels, 1958.
- (b) The functions so conferred by sections 3 (4), 4, 6, and 7 of the Act to the extent that they pertain to the functions delegated by the foregoing provisions of this section.

SEC. 4. *Functions reserved to the President.* There are hereby excluded from the functions delegated by the provisions of this order the functions conferred upon the President (a) with respect to the appointment of officers authorized to be appointed by the first proviso of section 3 (3) of the Act, (b) with respect to the transmittal of periodic reports to the Congress under section 9 of the Act, and (c) with respect to the waiver of provisions of law or limitations of authority under section 8 of the Act.

SEC. 5. *Procedures for coordination abroad.* The provisions of Part II of Executive Order No. 10575 of November 6, 1954 (19 F. R. 7249), are hereby extended and made applicable to the functions provided for in the Act and to United States agencies and personnel concerned with the administration abroad of the said functions.

SEC. 6. *Definition.* As used in this order, the word "functions" embraces duties, powers, responsibilities, authority, and discretion.

SEC. 7. *Prior directives and actions.* This order supersedes the provisions of the letters of the President to the Director of the United States Information Agency dated August 16, 1955, and Au-

gust 21, 1956, and the letter of the President to the Secretary of State dated December 27, 1956 (22 F. R. 101-103); provided that this order shall not operate to terminate any authority to perform functions without regard to the provisions of law and limitations of authority specified in those letters. Except to the extent that they may be inconsistent with law or with this order, other directives, regulations, and actions relating to the functions delegated by this order and in force immediately prior to the issuance of this order shall remain in effect until amended, modified, or revoked by appropriate authority.

Sec. 8. *Effective date.* Without prejudice to anything done under proper authority with respect to any function under the Act at any time subsequent to the approval of the Act and prior to the issuance of this order, the effective date of this order shall be deemed to be the date on which the Act was approved.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, June 17, 1957.

### 8. Fulbright Amendment to the Surplus Property Act of 1944, as amended

Partial text of Public Law 584, 79th Congress [S. 1636], 60 Stat. 754, approved August 1, 1946

\* \* \* \* \*  
SEC. 2. \* \* \*.  
(b) \* \* \*.

(2)<sup>1</sup> In carrying out the provisions of this section, the Secretary of State is authorized to enter into an executive agreement or agreements with any foreign government for the use of currencies, or credits for currencies, of such government held or available for expenditure by the United States or any agency thereof including amounts received in repayment of principal or interest on any loan made under section 505 (b)<sup>2</sup> of the Mutual Security Act of 1954, as amended (or deposited pursuant to agreements entered into pursuant to section 115 (b) (6)<sup>3</sup> and 115 (h)<sup>4</sup> of the Economic Cooperation Act of 1948, as amended),<sup>5</sup> and not required by law or agreement with such government to be expended or used for any other purpose,<sup>6</sup> for the purpose of providing, by the formation of foundations or otherwise, for (A) financing studies, research, instruction, and other educational activities of or for American citizens in schools and institutions of higher learning located in such foreign country, or of the citizens of such foreign country in American schools and institutions of higher

<sup>1</sup> 50 U. S. C. App. § 1641 (b) (2).

<sup>2</sup> 22 U. S. C. § 1757 (b).

<sup>3</sup> Formerly 22 U. S. C. § 1513 (b) (6).

<sup>4</sup> Formerly 22 U. S. C. § 1513 (h).

<sup>5</sup> The Economic Cooperation Act of 1948, as amended, was repealed by sec. 542 (a) of the Mutual Security Act of 1954. Sec. 115 (b) (6) and Sec. 115 (h) were replaced by sec. 142 (b) of the Mutual Security Act of 1954, as amended, which provides:

"(b) In cases where any commodity is to be furnished on a grant basis under this title under arrangements which will result in the accrual of proceeds to the recipient nation from the import or sale thereof, such assistance shall not be furnished unless the recipient nation shall have agreed to establish a Special Account, and

"(i) deposit in the Special Account, under such terms and conditions as may be

agreed upon, currency of the recipient nation in amounts equal to such proceeds;

"(ii) make available to the United States such portion of the Special Account as may be determined by the President to be necessary for the requirements of the United States: *Provided*, That such portion shall not be less than 10 per centum in the case of any country to which such minimum requirement has been applicable under any Act repealed by this Act; and

"(iii) utilize the remainder of the Special Account for programs agreed to by the United States to carry out the purposes for which new funds authorized by this Act would themselves be available;

*Provided*, That if amounts in such remainder exceed the requirements of such programs, the recipient nation may utilize such excess amounts for other purposes agreed to by the United States which are consistent with the foreign policy of the United States: *Provided further*, That such utilization of such excess amounts in all Special Accounts shall not exceed the equivalent of \$4,000,000.

"Any unencumbered balances of funds which remain in the Account upon termination of assistance to such nation under this Act shall be disposed of for such purposes as may, subject to approval by the Act or joint resolution of the Congress, be agreed to between such country and the Government of the United States.

\* \* \* \* \*

"Sec. 542 (b) of the Mutual Security Act of 1954, as amended, provides:  
"References in other Acts to the Acts listed in subsection (a) shall hereafter be considered to be references to the appropriate provisions of this Act."

"This provision was amended by sec. 11 of the Mutual Security Act of 1952 and sec. 11 (a) of the Mutual Security Act of 1956, which amended sec. 544 of the Mutual Security Act of 1954. These amendments inserted "held or available \* \* \* for any other purpose" in lieu of "acquired as a result of such surplus property disposals".

learning located outside the continental United States, Hawaii, Alaska (including the Aleutian Islands), Puerto Rico, and the Virgin Islands, including payment for transportation, tuition, maintenance, and other expenses incident to scholastic activities; or (B) furnishing transportation for citizens of such foreign country who desire to attend American schools and institutions of higher learning in the continental United States, Hawaii, Alaska (including the Aleutian Islands), Puerto Rico, and the Virgin Islands, and whose attendance will not deprive citizens of the United States of an opportunity to attend such schools and institutions: *Provided, however,* That no such agreement or agreements shall provide for the use of an aggregate amount of the currencies, or credits for currencies, of any one country in excess of \$20,000,000 or for the expenditure of the currencies, or credits for currencies, of any one foreign country in excess of \$1,000,-000 annually at the official rate of exchange for such currencies, unless otherwise authorized by Congress, nor shall any such agreement relate to any subject other than the use and expenditure of such currencies or credits for currencies for the purposes herein set forth: *Provided further,* That for the purpose of selecting students and educational institutions qualified to participate in this program, and to supervise the exchange program authorized herein, the President of the United States is hereby authorized to appoint a Board of Foreign Scholarships, consisting of ten members, who shall serve without compensation, composed of representatives of cultural, educational, student and war veterans groups, and including representatives of the United States Office of Education, the United States Veterans' Administration, State educational institutions, and privately endowed educational institutions: *And provided further,* That in the selection of American citizens for study in foreign countries under this paragraph preference shall be given to applicants who shall have served in the military or naval forces of the United States during World War I or World War II, and due consideration shall be given to applicants from all geographical areas of the United States. The Secretary of State shall transmit to the Congress not later than the 1st day of March of each year a report of operations under this paragraph during the preceding calendar year. Such report shall include the text of any agreements which have been entered into hereunder during the preceding calendar year, and shall specify the names and addresses of American citizens who are attending schools or institutions of higher learning in foreign countries pursuant to such agreements, the names and locations of such schools and institutions, and the amounts of the currencies or credits for currencies expended for any of the purposes under this paragraph in each such foreign country during the preceding calendar year.

\* \* \* \* \*

## 9. Agricultural Trade Development and Assistance Act of 1954, as amended

Partial text (sec. 104 (h), (i), (j), (o)), Public Law 480, 83d Congress [S. 2475],  
68 Stat. 454, approved July 10, 1954

\* \* \* \* \*

SEC. 104.<sup>1</sup> Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953,<sup>2</sup> or any other provision of law, the President may use or enter into agreements with friendly nations or organizations of nations to use the foreign currencies which accrue under this title for one or more of the following purposes:

\* \* \* \* \*

(h) For the financing of international educational exchange activities under the programs authorized by section 32 (b) (2) of the Surplus Property Act of 1944, as amended (50 U. S. C. 1641 (b)), and for the financing in such amounts as may be specified from time to time in appropriation acts of programs for the interchange of persons under title II of the United States Information and Educational Exchange Act of 1948, as amended (22 U. S. C. 1446).<sup>3</sup>

In the allocation of funds as among the various purposes set forth in this section, a special effort shall be made to provide for the purposes of this subsection, including a particular effort with regard to: (1) countries where adequate funds are not available from other sources for such purposes, and (2) countries where agreements can be negotiated to establish a fund with the interest and principal available over a period of years for such purposes,<sup>4</sup> such special and particular effort to include the setting aside of such amounts from sale proceeds and loan repayments under this title, not in excess of \$1,000,-000 a year in any one country for a period of not more than five years in advance, as may be determined by the Secretary of State to be required for the purposes of this subsection;<sup>5</sup>

(i) For financing the translation, publication, and distribution of books and periodicals, including Government publications, abroad: *Provided*, That not more than \$5,000,000 may be allocated for this purpose during any fiscal year;<sup>6</sup>

(j) For providing assistance to activities and projects authorized by section 203 of the United States Information and Educational Exchange Act of 1948, as amended (22 U. S. C. 1448), but no foreign currencies which are available under the terms of any agreement for

<sup>1</sup> 7 U. S. C. § 1704.

<sup>2</sup> 31 U. S. C. § 724.

<sup>3</sup> Sec. 3 (a) of the act to extend and amend the Agricultural Trade Development and Assistance Act of 1954 (Public Law 85-931, 85th Cong.) added "and for the financing \* \* \* (22 U. S. C. 1446)".

<sup>4</sup> See, 11 (a) of the Mutual Security Act of 1956 (Public Law 726, 84th Cong.) amended sec. 544 of the Mutual Security Act of 1954 (Public Law 665, 83d Cong.) by adding to sec. 104 (d) "In the allocation \* \* \* for such purposes".

<sup>5</sup> Sec. 11 (b) of the Mutual Security Act of 1957 (Public Law 85-141, 85th Cong.) amended sec. 544 of the Mutual Security Act of 1954 by adding to sec. 104 (h): "such special and particular effort to include \* \* \* for the purposes of this subsection".

<sup>6</sup> Sec. 11 (a) of the Mutual Security Act of 1956 amended sec. 544 of the Mutual Security Act of 1954 by adding this subsection.

appropriation for the general use of the United States shall be used for the purposes of this subsection (j) without appropriation therefor.<sup>7</sup>

(o) For providing assistance, in such amounts as may be specified from time to time in appropriation acts, by grant or otherwise, in the expansion or operation in foreign countries of established schools, colleges, or universities founded or sponsored by citizens of the United States, for the purpose of enabling such educational institutions to carry on programs of vocational, professional, scientific, technological, or general education; and in the supporting of workshops in American studies or American educational techniques, and supporting chairs in American studies:<sup>8</sup>

\* \* \* \* \*

<sup>7</sup> Added by sec. 2 of Public Law 962, 84th Cong.

<sup>8</sup> Sec. 3 (b) of the act to amend and extend the Agricultural Trade Development and Assistance Act of 1954 (Public Law 85-931, 85th Cong.) added subsec. (o).

#### 10. Mutual Security Act of 1954, as amended

Partial text (sec. 417 and 514) of Public Law 665, 83d Congress [H. R. 9678], 68 Stat. 832, approved August 26, 1954

\* \* \* \* \*

SEC. 417.<sup>1</sup> IRISH COUNTERPART.—Pursuant to section 115 (b) (6) of the Economic Cooperation Act of 1948, as amended, the disposition within Ireland of the unencumbered balance, in the amount of approximately 6,000,000 Irish pounds, of the special account of Irish funds established under article IV of the Economic Cooperation Agreement between the United States of America and Ireland, dated June 28, 1948, for the purposes of—

- (1) scholarship exchange between the United States and Ireland;
  - (2) other programs and projects (including the establishment of an Agricultural Institute) to improve and develop the agricultural production and marketing potential of Ireland and to increase the production and efficiency of Irish industry; and
  - (3) development programs and projects in aid of the foregoing objectives, is hereby approved, as provided in the agreement between the Government of the United States of America and the Government of Ireland, dated June 17, 1954.
- \* \* \* \* \*

SEC. 514.<sup>2</sup> INTERNATIONAL EDUCATIONAL EXCHANGE ACTIVITIES.—Foreign currencies or credits owed to or owned by the United States, where arising from this Act or otherwise, shall, upon a request from the Secretary of State certifying that such funds are required for the purpose of international educational exchange activities under programs authorized by section 32 (b) (2) of the Surplus Property Act of 1944, as amended, be reserved by the Secretary of the Treasury for sale to the Department of State for such activities on the basis of the dollar value at the time of the reservation.

\* \* \* \* \*

<sup>1</sup> 22 U. S. C. § 1037.  
<sup>2</sup> 22 U. S. C. § 1766.

**11. Act Making Finnish World War I Debt Payments Available for Exchange of Persons and Materials Between the United States and Finland**

Text of Public Law 265, 81st Congress [S. J. Res. 3], 63 Stat. 630, approved August 24, 1949

JOINT RESOLUTION To provide that any future payments by the Republic of Finland on the principal or interest of its debt of the First World War to the United States shall be used to provide educational and technical instruction and training in the United States for citizens of Finland and American books and technical equipment for institutions of higher education in Finland, and to provide opportunities for American citizens to carry out academic and scientific enterprises in Finland.

Whereas the Republic of Finland alone among our debtors of the First World War has consistently made payments of principal and interest toward the retirement of its indebtedness to the United States; and

Whereas it is deemed proper, as an act of abiding friendship and good will which the people of the United States hold for the people of Finland, to provide that any further payments on its World War I debt by the Republic of Finland shall be held in a special deposit account for such use as will advance and strengthen the close ties of friendship which bind together our two peoples: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,*<sup>1</sup> That any sums due or paid on and after the date of enactment of this joint resolution by the Republic of Finland to the United States as interest on or in retirement of the principal of the debt incurred under the Act of February 25, 1919, as refunded by the agreement dated May 1, 1923, pursuant to authority contained in the Act of February 9, 1922, or of any other indebtedness incurred by that republic and owing to the United States as a result of World War I, shall be placed in a special deposit account in the Treasury of the United States, to remain available until expended. This account shall be available to the Department of State to finance by contract, grant, or otherwise—

(a) studies, instruction, technical training, and other educational activities in the United States and its Territories and possessions (1) for students, professors, other academic persons, and technicians who are citizens of the Republic of Finland and, (2) with the approval of appropriate agencies, institutions, or organizations in Finland, for students, professors, other academic persons, and technicians who are citizens of the United States to participate in similar activities in Finland, including in both cases travel expenses, tuition, subsistence, and other allowances and expenses incident to such activities; and

<sup>1</sup> 20 U. S. C. 222.

(b) the selection, purchase, and shipment of (1) American scientific, technical, and scholarly books and books of American literature for higher educational and research institutions of Finland, and (2) American laboratory and technical equipment for higher education and research in Finland, and (3) the interchange of similar Finnish materials and equipment for higher education and research in the United States.

Sec. 2.<sup>2</sup> The Secretary of State is hereby authorized to carry out the purposes of this joint resolution in accordance with the applicable provisions of the United States Information and Educational Exchange Act of 1948 (Public Law 402, Eightieth Congress).

Sec. 3.<sup>3</sup> Disbursements from the special deposit account shall be made by the Division of Disbursement of the Treasury Department, upon vouchers duly certified by the Secretary of State or by authorized certifying officers of the Department of State.

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<sup>2</sup> 20 U. S. C. 223.

<sup>3</sup> 20 U. S. C. 224.

## 12. India Emergency Food Aid Act of 1951

Partial text (sec. 7) of Public Law 48, 82d Congress [S. 872], 65 Stat. 69,  
approved June 15, 1951

\* \* \* \* \*

Sec. 7.<sup>1</sup> (a) Any sums payable by the Government of India, under the interest terms agreed to between the Government of the United States and the Government of India, on or before January 1, 1957, as interest on the principal of any debt incurred under this Act, and not to exceed a total of \$5,000,000, shall, when paid, be placed in a special deposit account in the Treasury of the United States, notwithstanding any other provisions of law, to remain available until expended. This account shall be available to the Department of State for the following uses:

(1) Studies, instruction, technical training, and other educational activities in the United States and in its Territories or possessions (A) for students, professors, other academic persons, and technicians who are citizens of India, and (B) with the approval of appropriate agencies, institutions, or organizations in India, for students, professors, other academic persons, and technicians who are citizens of the United States to participate in similar activities in India, including in both cases travel expenses, tuition, subsistence and other allowances and expenses incident to such activities; and (2) The selection, purchase, and shipment of (A) American scientific, technical, and scholarly books and books of American literature for higher educational and research institutions of India, (B) American laboratory and technical equipment for higher education and research in India, and (C) the interchange of similar materials and equipment from India for higher education and research in the United States.

(b) Funds made available in accordance with the provisions stated above may be used to defray costs of administering the program authorized herein.

(c) Disbursements from the special deposit account shall be made by the Division of Disbursement of the Treasury Department, upon vouchers duly certified by the Secretary of State or by authorized certifying officers of the Department of State.

\* \* \* \* \*

<sup>1</sup> 50 U. S. C. App. § 2316.

### 13. Convention for the Promotion of Inter-American Cultural Relations<sup>1</sup>

Text of the Convention for the Promotion of Inter-American Cultural Relations, 51 Stat. 178, Treaties and Other International Acts Series 3936; Signed at Caracas March 28, 1954;<sup>2</sup> Entered Into Force February 18, 1955; Ratification Advised by the Senate August 8, 1857; Proclaimed by the President November 5, 1957

The governments represented at the Tenth Inter-American Conference,

CONSIDERING:

That greater knowledge and understanding of the peoples and the institutions of the countries members of the Organization of American States will contribute to the realization of the purposes for which the Conference was convened; and

That, among the suitable means for attaining this end, are the exchange of professors, teachers, and students among the American countries and the encouragement of closer relationships among the unofficial agencies that exert an influence on the formation of public opinion,

Resolve:

To revise the text and strengthen the spirit of the Convention for the Promotion of Inter-American Cultural Relations, concluded at Buenos Aires in 1936, and to that end agree on the following articles:

#### ARTICLE 1

Every year each government shall award one or more fellowships, insofar as it may be able to do so, for the ensuing scholastic year, which may be granted to graduate students or to teachers or to other persons with equivalent qualifications from each of the other Member States. The recipients shall be chosen in accordance with the procedure established in Article 4 of this Convention. Notwithstanding the foregoing, each government may award a greater number of fellowships for study if this has been provided in other international agreements or otherwise.

#### ARTICLE 2

Each fellowship shall include, through such agency as may be deemed appropriate, tuition in an institution of higher learning designated by the country awarding the fellowship, as well as textbooks, working materials, and, in addition, a monthly allowance to cover lodging, subsistence, and other necessary additional expenses. The expenses of traveling to the designated institution and those of

<sup>1</sup> This convention is a revision of the 1936 Convention for the Promotion of Inter-American Cultural Relations (51 Stat. 178).

<sup>2</sup> Signed, on behalf of all of the American Republics except Costa Rica, which signed subsequently on June 16, 1954.

returning to the country of origin and, in addition, an amount for incidental travel expenses during the journey shall be borne by the recipient or by the nominating government.

ARTICLE 3

Each government shall notify the others of the fields of study in which it is prepared to award fellowships at least one month before the period referred to in the following article for the transmission of the panels of candidates.

ARTICLE 4

The fellowships referred to in Article 1 shall be awarded after the governments concerned exchange panels of names in the following manner:

Each government shall send to each of the other governments, at least 6 months before the opening of the scholastic year in the host country, unless otherwise agreed upon by the interested governments, a panel containing the names of candidates of the categories referred to in Article 1, together with the information regarding each that the government awarding the fellowships deems necessary. The panel shall contain a sufficient number of names to permit the country awarding the fellowships to choose from among the candidates. The latter country shall announce the award of the fellowships and the names of the successful candidates to the nominating government at least 3 months before the opening of the scholastic year.

A candidate's name shall not appear on the panels more than twice.

The fellowships shall be awarded for one year, but may be extended for a second year and, in exceptional cases, for a third. No government shall be obliged to consider the panel of names of candidates proposed by any other government if it has not been presented in accordance with the schedule indicated.

ARTICLE 5

If for any reason it becomes necessary to repatriate the recipient of a fellowship, the government awarding the fellowship may effect the repatriation at the expense of the nominating government.

ARTICLE 6

Any of the High Contracting Parties which may be interested in obtaining the services of professors or specialists from other countries and which has not chosen specific individuals may do so through the services of the Pan American Union. The Pan American Union will forward the request to the other countries and will send their replies to the interested country within three months, the latter country then choosing from among the candidates suggested.

Visiting professors or specialists shall devote themselves to the duties for which they have been specifically engaged.

The government that is sending the professors or specialists shall provide the expenses of travel of each to the seat of the institution to which he has been appointed, and of return to the country of origin.

Each government shall take the necessary measures for visiting

professors or specialists to receive a salary commensurate with the duties which are assigned to them. The government of the country from which the professor or specialist comes shall compensate him for any unfavorable difference between the salary which he is to receive in the host country and that which he has been receiving in the country from which he comes. However, in specific cases, the governments concerned may make other arrangements.

ARTICLE 7

The High Contracting Parties will encourage, in other ways, especially during vacation periods, the exchange, for cultural purposes, of teachers, artists, students, and other persons engaged in the professions, between their respective countries.

ARTICLE 8

Each government shall designate or create an appropriate organ, or appoint a special officer, to have responsibility for carrying out the obligations assumed by virtue of this Convention.

ARTICLE 9

Authenticated copies of the regulations issued by each of the High Contracting Parties to facilitate compliance with this Convention shall be sent to the other High Contracting Parties and to the Pan American Union.

ARTICLE 10

The High Contracting Parties shall transmit annually to the Pan American Union a report enumerating the persons to whom fellowships have been awarded by the governments in accordance with the terms of this Convention. The report shall indicate the nationality of the recipients and the amount of money and the type of assistance which they have received.

This report should likewise include information with regard to persons who have come from other American States and are pursuing university or similar studies in accordance with other exchange-of-persons programs or at their own expense.

The reports referred to above should also include information regarding professors and specialists.

The Pan American Union shall compile the reports received under this Article for the information of the High Contracting Parties.

ARTICLE 11

The High Contracting Parties declare that this Convention is motivated by the highest principles of cooperation, the extent of the interchange depending upon the circumstances peculiar to each country.

ARTICLE 12

This Convention does not affect similar understandings which have been entered into previously by the High Contracting Parties, nor does it exclude the possibility of their entering into other such understandings in the future.

ARTICLE 13

This Convention shall remain open for signature by the States Members of the Organization of American States and shall be ratified by the signatory States in accordance with their respective constitutional procedures.

ARTICLE 14

The original instrument, the English, French, Portuguese, and Spanish texts of which are equally authentic, shall be deposited with the Pan American Union, which shall transmit certified copies thereof to the governments for purposes of ratification. The instruments of ratification shall be deposited with the Pan American Union, which shall notify the signatory States of such deposit.

ARTICLE 15

This Convention shall enter into force between the States that ratify it in the order in which they deposit their respective instruments of ratification.

ARTICLE 16

This Convention shall remain in force indefinitely, but may be denounced by any of the signatory States upon one year's notice, at the end of which it shall cease to be in force with respect to the denouncing State, remaining in force for the other signatory States. The denunciation shall be communicated to the Pan American Union, which shall notify the other signatory States of it.

IN WITNESS WHEREOF, the undersigned Plenipotentiaries, whose full powers have been presented and found to be in good and due form, sign this Convention, on behalf of their respective Governments, at the city of Caracas, on March twenty-eight, nineteen hundred and fifty-four.

### C. SURPLUS AGRICULTURAL COMMODITIES

#### 1. Agricultural Trade Development and Assistance Act of 1954, as Amended

Text of Public Law 480, 83d Congress [S. 2475], 68 Stat. 454, approved July 10, 1954, as amended by P. L. 25, 84th Congress [S. 752], 69 Stat. 44, April 25, 1955; P. L. 387, 84th Congress [S. 2253], 69 Stat. 721, August 12, 1955; P. L. 540, 84th Cong. [H. R. 10875], 70 Stat. 188, May 28, 1956; P. L. 962, 84th Cong. [S. 3903], 70 Stat. 988, August 3, 1956; P. L. 726, 84th Cong. [H. R. 11356], 70 Stat. 555, July 18, 1956; P. L. 85-128 [S. 1314], 71 Stat. 345, August 13, 1957; P. L. 85-447 [H. R. 12181], 72 Stat. 261, June 30, 1958; and P. L. 85-931 [S. 3420], 72 Stat. 1790, Sept. 6, 1958.

AN ACT To increase the consumption of United States agricultural commodities in foreign countries, to improve the foreign relations of the United States, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Agricultural Trade Development and Assistance Act of 1954."

SEC. 2.<sup>1</sup> It is hereby declared to be the policy of Congress to expand international trade among the United States and friendly nations, to facilitate the convertibility of currency, to promote the economic stability of American agriculture and the national welfare, to make maximum efficient use of surplus agricultural commodities in furtherance of the foreign policy of the United States, and to stimulate and facilitate the expansion of foreign trade in agricultural commodities produced in the United States by providing a means whereby surplus agricultural commodities in excess of the usual marketings of such commodities may be sold through private trade channels, and foreign currencies accepted in payment therefor. It is further the policy to use foreign currencies which accrue to the United States under this Act to expand international trade, to pay United States obligations abroad, to promote collective strength, and to foster in other ways the foreign policy of the United States.

#### TITLE I—SALES FOR FOREIGN CURRENCY<sup>2</sup>

SEC. 101.<sup>3</sup> In furtherance of this policy, the President is authorized to negotiate and carry out agreements with friendly nations or organi-

<sup>1</sup> 7 U. S. C. § 1691.  
<sup>2</sup> Sec. 3, Public Law 962, 84th Congress [S. 3903], 70 Stat. 988, approved August 3, 1956, reads as follows:

"Sales of fresh fruit and the products thereof under title I of the Act shall be exempt from the requirements of the cargo preference laws (Public Resolution 17, Seventy-third Congress (15 U. S. C. 616a) and section 901 (b) of the Merchant Marine Act, 1936 (46 U. S. C. 1241 (b))."

<sup>3</sup> 7 U. S. C. § 1701. This Title succeeded sec. 550 of the Mutual Security Act of 1951 which authorized sales for foreign currency as follows: "(a) Not less than \$100,000,000 and not more than \$250,000,000 of the funds authorized to be appropriated under this Act, shall be used, directly or indirectly, to finance the purchase of surplus agricultural commodities, or products thereof, produced in the United States. (b) The President is authorized to enter into agreements with friendly countries for the sale and export of such surplus agricultural

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zations of friendly nations to provide for the sale of surplus agricultural commodities for foreign currencies. In negotiating such agreements the President shall—

- (a) take reasonable precaution to safeguard usual marketings of the United States and to assure that sales under this Act will not unduly disrupt world prices of agricultural commodities or normal patterns of commercial trade with friendly countries;<sup>4</sup>
- (b) take appropriate steps to assure that private trade channels are used to the maximum extent practicable both with respect to sales from privately owned stocks and from stocks owned by the Commodity Credit Corporation;
- (c) give special consideration to utilizing the authority and funds provided by this Act, in order to develop and expand continuous market demand abroad for agricultural commodities, with appropriate emphasis on underdeveloped and new market areas;
- (d) seek and secure commitments from participating countries that will prevent resale or transshipment to other countries, or use for other than domestic purposes, of surplus agricultural commodities purchased under this Act, without specific approval of the President; and
- (e) afford any friendly nation the maximum opportunity to purchase surplus agricultural commodities from the United States, taking into consideration the opportunities to achieve the declared policy of this Act and to make effective use of the foreign currencies received to carry out the purposes of this Act.

Sec. 102.<sup>5</sup> (a) For the purpose of carrying out agreements concluded by the President hereunder, the Commodity Credit Corporation, in accordance with regulations issued by the President pursuant to subsection (b) of this section, (1) shall make available for sale hereunder to domestic exporters surplus agricultural commodities heretofore or hereafter acquired by the Corporation in the administration of its price-support operations, and (2) shall make funds available to

commodities under conditions negotiated by him with such countries and to accept in payment therefor local currency for the account of the United States. In negotiating agreements for the sale of such commodities, the President shall—(1) take special precaution to safeguard against the substitution or displacement of usual marketings of the United States or friendly countries, and to assure to the maximum extent practicable that sales prices of such commodities are consistent with maximum world market prices of like commodities of similar quality, and to obtain the recommendations of the Secretary of Agriculture in carrying out the provisions of this subsection; (2) use private trade channels to the maximum extent practicable; (3) give appropriate emphasis to underdeveloped and new market areas; (4) obtain assurance that the purchasing countries will not resell or tranship to other countries or use for other than domestic consumption commodities purchased under this program without specific approval by the President. (c) Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, the President shall use the proceeds of such sales for the purpose of this Act, giving particular regard to the following purposes—(1) For providing military assistance to countries or mutual defense organizations eligible to receive assistance under this Act; (2) for purchase of goods or services in friendly countries; (3) for loans, under applicable provisions of this Act, to increase production of goods or services, including strategic materials, needed in any country with which an agreement was negotiated, or in other friendly countries, with the authority to use currencies received in repayment for the purposes stated in this section or for deposit to the general account of the Treasury of the United States; (4) for developing new markets on a mutually beneficial basis; (5) for grants-in-aid to increase production for domestic needs in friendly countries; (6) for purchasing materials for United States stockpiles. (d) In carrying out the provisions of this section the President shall take special precaution to safeguard against the displacement of foreign exchange earnings which would otherwise accrue to the United States or any friendly nations. (e) The President is authorized to enter into such agreements with third countries receiving goods accruing from the proceeds of sales made pursuant to this section as he deems necessary to effectuate the purpose of this Act." See sec. 602 of the Mutual Security Act of 1954 as amended, pages 35-36.

<sup>4</sup>The words "or normal patterns of commercial trade with friendly countries;" added by P. L. 85-931 [S. 3420], 72 Stat. 1790.  
<sup>5</sup> U. S. § 1702.

finance the sale and exportation of surplus agricultural commodities, whether from private stocks or from stocks of the Commodity Credit Corporation. In supplying such commodities to exporters under this subsection the Commodity Credit Corporation shall not be subject to the sales price restrictions in section 407 of the Agricultural Act of 1949, as amended.<sup>6</sup> The commodity set-aside established for any commodity under section 101 of the Agricultural Act of 1954 (68 Stat. 897)<sup>7</sup> shall be reduced by a quantity equal to the quantity of such commodity financed hereunder which is exported from private stocks.<sup>8</sup>

(b) In order to facilitate and maximize the use of private channels of trade in carrying out agreements entered into pursuant to this Act, the President may, under such regulations and subject to such safeguards as he deems appropriate, provide for the issuance of letters of commitment against funds or guarantees of funds supplied by the Commodity Credit Corporation and for this purpose accounts may be established on the books of any department, agency, or establishment of the Government, or on terms and conditions approved by the Secretary of the Treasury in banking institutions in the United States. Such letters of commitment, when issued shall constitute obligations of the United States and moneys due or to become due thereunder shall be assignable under the Assignment of Claims Act of 1940.<sup>9</sup> Expenditures of funds which have been made available through accounts so established shall be accounted for on standard documentation required for expenditures of Government funds.

SEC. 103.<sup>10</sup> (a) For the purpose of making payment to the Commodity Credit Corporation to the extent the Commodity Credit Corporation is not reimbursed under section 105 for commodities disposed of and costs incurred under titles I and II of this Act, there are hereby authorized to be appropriated such sums as are equal to (1) the Corporation's investment in commodities made available for export under this title and title II of this Act, including processing, packaging, transportation, and handling costs, (2) all costs incurred by the Corporation in making funds available to finance the exportation of surplus agricultural commodities pursuant to this title and, (3) all Commodity Credit Corporation funds expended for ocean freight costs authorized under title II hereof for purposes of section 416 of the Agricultural Act of 1949, as amended.<sup>10</sup> Any funds or other assets available to the Commodity Credit Corporation may be

<sup>6</sup> 7 U. S. C. § 1427.

<sup>7</sup> 7 U. S. C. § 1741.

<sup>8</sup> This subsection was revised by Public Law 25, 84th Congress [S. 752], 69 Stat. 44, approved April 25, 1955. It formerly read as follows:

"For the purpose of carrying out agreements concluded by the President hereunder, the Commodity Credit Corporation, in accordance with regulations issued by the President pursuant to subsection (b) of this section, (1) shall make available for sale hereunder at such points in the United States as the President may direct surplus agricultural commodities heretofore or hereafter acquired by the Corporation in the administration of its price support operations, and (2) shall make funds available to finance the sale and exportation of surplus agricultural commodities from stocks owned by the Corporation or pledged or mortgaged as security for price support loans or from stocks privately owned if the Corporation is not in a position to supply the commodity from its owned stocks: *Provided*, That to facilitate the use of private trade channels the Corporation, even though it is in a position to supply the commodity, may finance the sale and exportation of privately owned stocks if the Corporation's stocks are reduced through arrangements whereby the private exporter acquires the same commodity of comparable value or quantity from the Commodity Credit Corporation. In supplying commodities to private exporters under such arrangements Commodity Credit Corporation shall not be subject to the sales price restriction in section 407 of the Agricultural Act of 1949, as amended."

<sup>9</sup> 31 U. S. C. § 203; 41 U. S. C. § 15.

<sup>10</sup> 7 U. S. C. § 1703.

used in advance of such appropriation or payments, for carrying out the purposes of this Act.

(b)<sup>11</sup> Agreements shall not be entered into under this title during the period beginning July 1, 1958, and ending December 31, 1959, which will call for appropriations to reimburse the Commodity Credit Corporation, pursuant to subsection (a) of this section, in amounts in excess of \$2,250,000,000, plus any amount by which agreements entered into in prior fiscal years have called or will call for appropriations to reimburse the Commodity Credit Corporation in amounts less than authorized for such prior fiscal years by this Act as in effect during such fiscal years.

SEC. 104.<sup>12</sup> Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953,<sup>13</sup> or any other provision of law, the President may use or enter into agreements with friendly nations or organizations of nations to use the foreign currencies which accrue under this title for one or more of the following purposes:

(a) To help develop new markets for United States agricultural commodities on a mutually benefiting basis;

(b) To purchase or contract to purchase strategic and critical materials, within the applicable terms of the Strategic and Critical Materials Stockpile Act,<sup>14</sup> for a supplemental United States stockpile of such materials as the President may determine from time to time under contracts, including advance payment contracts, for supply extending over periods up to ten years. All strategic and critical materials acquired under authority of this title shall be placed in the above named supplemental stockpile and may be additional to the amounts acquired under authority of the Strategic and Critical Materials Stockpile Act. Materials so acquired shall be released from the supplemental stockpile only under the provisions of section 3 of the Strategic and Critical Materials Stockpile Act.<sup>15</sup>

(c) To procure military equipment, materials, facilities, and services for the common defense;

(d) For financing the purchase of goods or services for other friendly countries;

(e) For promoting balanced economic development and trade among nations, for which purposes not more than 25 per centum of the currencies received pursuant to each such agreement shall be available through and under the procedures established by the Export-Import Bank for loans mutually agreeable to said bank and the country with which the agreement is made to United States business firms and branches, subsidiaries, or affiliates of such firms for business development and trade expansion in such countries and for loans to domestic or foreign firms for the establishment of facilities for aiding in the utilization, distribution, or

<sup>11</sup> This section amended by Public Law 85-931. It formerly read as follows: "Transactions shall not be carried out under this title which will call for appropriations to reimburse the Commodity Credit Corporation, pursuant to subsection (a) of this section, in amounts in excess of \$4,000,000,000. This limitation shall not be apportioned by year or by country, but shall be considered as an objective as well as a limitation, to be reached as rapidly as possible so long as the purposes of this Act can be achieved within the safeguards established."

<sup>12</sup> 7 U. S. C. § 1704.

<sup>13</sup> For text, see page 74.

<sup>14</sup> 50 U. S. C. § 98 note.

<sup>15</sup> 50 U. S. C. § 98b.

otherwise increasing the consumption of, and markets for, United States agricultural products: *Provided, however,* That no such loans shall be made for the manufacture of any products to be exported to the United States in competition with products produced in the United States or for the manufacture or production of any commodity to be marketed in competition with United States agricultural commodities or the products thereof. Foreign currencies may be accepted in repayment of such loans.<sup>16</sup>

(f) To pay United States obligations abroad;

(g) For loans to promote multilateral trade and economic development, made through established banking facilities of the friendly nation from which the foreign currency was obtained or in any other manner which the President may deem to be appropriate. Strategic materials, services, or foreign currencies may be accepted in payment of such loans;

(h) For the financing of international educational exchange activities under the programs authorized by section 32 (b) (2) of the Surplus Property Act of 1944, as amended (50 U. S. C. App. 1641 (b)) and for the financing in such amounts as may be specified from time to time in appropriation acts of programs for the interchange of persons under title II of the United States Information and Educational Exchange Act of 1958, as amended (22 U. S. C. 1446).<sup>17</sup> In the allocation of funds as among the various purposes set forth in this section, a special effort shall be made to provide for the purposes of this subsection, including a particular effort with regard to: (1) countries where adequate funds are not available from other sources for such purposes, and (2) countries where agreements can be negotiated to establish a fund with the interest and principal available over a period of years for such purposes, such special and particular effort to include the setting aside of such amounts from sale proceeds and loan repayments under this title, not in excess of \$1,000,000 a year in any one country for a period of not more than five years in advance, as may be determined by the Secretary of State to be required for the purposes of this subsection;<sup>18</sup>

(i) For financing the translation, publication, and distribution of books and periodicals, including Government publication, abroad: *Provided,* That not more than \$5,000,000 may be allocated for this purpose during any fiscal year.<sup>19</sup>

(j) For providing assistance to activities and projects authorized by section 203 of the United States Information and Educational Exchange Act of 1948, as amended (22 U. S. C. 1448), but no foreign currencies which are available under the terms of any agreement for appropriation for the general use of the United States shall be used for the purposes of this subsection (j) without appropriation therefor.<sup>20</sup>

[REDACTED]

ILLEGIB

[REDACTED]

ILLEGIB

<sup>16</sup> Subsec. (e) was amended by sec. 4 of Public Law 85-128 [S. 1314], 71 Stat. 345. It formerly read: "For promoting balanced economic development and trade among nations;".

<sup>17</sup> That part of the first sentence following "50 U. S. C. App. 1641 (b)" was added by sec. 3 (a) of Public Law 85-931 [S. 3420], 72 Stat. 1790.

<sup>18</sup> The second sentence, through the words "for such purposes" was added by sec. 11 (a) (h) of the MSAct of 1956. The last part of the sentence, beginning with the words "such special and particular" was added by sec. 11 (b) (2) of the MSAct of 1957.

<sup>19</sup> Subsec. (i) was added by sec. 11 (a) (1) of the MSAct of 1956.

<sup>20</sup> Subsec. (j) was added by sec. 2 of Public Law 962, 84th Cong. [S. 3903], 70 Stat. 988, approved August 3, 1956. See also sec. 400(c) of the MSAct of 1954, as amended (page 22).

(k)<sup>21</sup> To collect, collate, translate, abstract, and disseminate scientific and technological information and to conduct and support scientific activities overseas including programs and projects of scientific cooperation between the United States and other countries such as coordinated research against diseases common to all of mankind or unique to individual regions of the globe, but no foreign currencies shall be used for the purposes of this subsection (k) unless specific appropriations be made therefor;

(l)<sup>22</sup> For the acquisition by purchase, lease, rental or otherwise, of sites and buildings and grounds abroad, for United States Government use including offices, residence quarters, community and other facilities, and for construction, repair, alteration and furnishing of such buildings and facilities: *Provided*, That foreign currencies shall be available for the purposes of this subsection (in addition to funds otherwise made available for such purposes) in such amounts as may be specified from time to time in appropriation acts;

(m)<sup>22</sup> For financing in such amounts as may be specified from time to time in appropriation acts (A) trade fair participation and related activities authorized by section 3 of the International Cultural Exchange and Trade Fair Participation Act of 1956 (22 U. S. C. 1992), and (B) agricultural and horticultural fair participation and related activities;

(n)<sup>22</sup> For financing under the direction of the Librarian of Congress, in consultation with the National Science Foundation and other interested agencies, in such amounts as may be specified from time to time in appropriation acts, (1) programs outside the United States for the analysis and evaluation of foreign books, periodicals, and other materials to determine whether they would provide information of technical or scientific significance in the United States and whether such books, periodicals, and other materials are of cultural or educational significance; (2) the registry, indexing, binding, reproduction, cataloging, abstracting, translating, and dissemination of books, periodicals, and related materials determined to have such significance; and (3) the acquisition of such books, periodicals, and other materials and the deposit thereof in libraries and research centers in the United States specializing in the areas to which they relate;

(o)<sup>22</sup> For providing assistance, in such amounts as may be specified from time to time in appropriation acts, by grant or otherwise, in the expansion or operation in foreign countries of established schools, colleges, or universities founded or sponsored by citizens of the United States, for the purpose of enabling such educational institutions to carry on programs of vocational, professional, scientific, technological, or general education; and in the supporting of workshops in American studies or American educational techniques, and supporting chairs in American studies:

*Provided, however*, That section 1415 of the Supplemental Appropriation Act, 1953,<sup>23</sup> shall apply to all foreign currencies used for grants

<sup>21</sup> Par. (k) added by sec. 502 (1) of the MSAct of 1958, Public Law 85-477.

<sup>22</sup> Pars. (l), (m), (n), and (o) added by sec. 3 (b) of Public Law 85-931 [S. 8420].  
72 Stat. 1790, approved September 6, 1958.

<sup>23</sup> For text, see page 74.

under subsections (d) and (e) and for payment of United States obligations involving grants under subsection (f) and to not less than 10 per centum of the foreign currencies which accrue under this title: *Provided, however,* That the President is authorized to waive such applicability of section 1415 in any case where he determines that it would be inappropriate or inconsistent with the purposes of this title.

SEC. 105.<sup>24</sup> Foreign currencies received pursuant to this title shall be deposited in a special account to the credit of the United States and shall be used only pursuant to section 104 of this title, and any department or agency of the government using any of such currencies for a purpose for which funds have been appropriated shall reimburse the Commodity Credit Corporation in an amount equivalent to the dollar value of the currencies used.

SEC. 106.<sup>25</sup> As used in this Act, "surplus agricultural commodity" shall mean any agricultural commodity or product thereof, class, kind, type, or other specification thereof, produced in the United States, either privately or public owned, which is or may be reasonably expected to be in excess of domestic requirements, adequate carryover, and anticipated exports for dollars, as determined by the Secretary of Agriculture. The Secretary of Agriculture is also authorized to determine the nations with whom agreements shall be negotiated, and to determine the commodities and quantities thereof which may be included in the negotiations with each country after advising with other agencies of Government affected and within broad policies laid down by the President for implementing this Act.<sup>26</sup>

SEC. 107.<sup>27</sup> As used in this Act, "friendly nation" means any country other than (1) the U. S. S. R., or (2) any nation or area dominated or controlled by the foreign government or foreign organization controlling the world Communist movement.

SEC. 108.<sup>28</sup> The President shall make a report to Congress with respect to the activities carried on under this Act at least once each six months and at such other times as may be appropriate and such reports shall include the dollar value, at the exchange rates in effect at the time of the sale, of the foreign currency for which commodities exported pursuant to section 102 (a) hereof are sold.

SEC. 109.<sup>29</sup> No transactions shall be undertaken under authority of this title after December 31, 1959,<sup>30</sup> except as required pursuant to agreements theretofore entered into pursuant to this title.

## TITLE II--FAMINE RELIEF AND OTHER ASSISTANCE

SEC. 201.<sup>31</sup> In order to enable the President to furnish emergency assistance on behalf of the people of the United States to friendly peoples in meeting famine or other urgent or extraordinary<sup>32</sup> relief

<sup>24</sup> 7 U. S. C. § 1705.

<sup>25</sup> 7 U. S. C. § 1706.

<sup>26</sup> This sentence was added by Public Law 387, 84th Cong. [S. 2253], 69 Stat. 721, approved August 12, 1955.

<sup>27</sup> 7 U. S. C. § 1707.

<sup>28</sup> 7 U. S. C. § 1708.

<sup>29</sup> 7 U. S. C. § 1709.

<sup>30</sup> "December 31, 1959" was substituted for "June 30, 1958" by sec. 4 of Public Law 85-931 [S. 3420], 72 Stat. 1790.

<sup>31</sup> 7 U. S. C. § 1721.

<sup>32</sup> The words "or extraordinary" were added by sec. 4 of Public Law 962, 84th Cong. [S. 3903], 70 Stat. 988, approved August 8, 1956.

requirements, the Commodity Credit Corporation shall make available to the President out of its stocks such surplus agricultural commodities (as defined in section 106 of title I)<sup>33</sup> as he may request, for transfer (1) to any nation friendly to the United States in order to meet famine or other urgent or extraordinary<sup>32</sup> relief requirements of such nation, and (2) to friendly but needy populations without regard to the friendliness of their government.

SEC. 202.<sup>34</sup> The President may authorize the transfer on a grant basis of surplus agricultural commodities from Commodity Credit Corporation stocks to assist programs undertaken with friendly governments or through voluntary relief agencies: *Provided*, That the President shall take reasonable precaution that such transfers will not displace or interfere with sales which might otherwise be made.

SEC. 203.<sup>35</sup> Not more than \$800,000,000<sup>36</sup> (including the Corporation's investment in such commodities) shall be expended for all such transfers and for other costs authorized by this title.<sup>37</sup> The President may make such transfers through such agencies, including intergovernmental organizations, in such manner, and upon such terms and conditions as he deems appropriate; he shall make use of the facilities of voluntary relief agencies to the extent practicable. Such transfers may include delivery f. o. b. vessels in United States ports and, upon a determination by the President that it is necessary to accomplish the purposes of this title or of section 416 of the Agricultural Act of 1949, as amended, ocean freight charges from United States ports to designated ports of entry abroad may be paid from funds available to carry out this title on commodities transferred hereto or donated under said section 416. Funds required for ocean freight costs authorized under this title may be transferred by the Commodity Credit Corporation to such other Federal agency as may be designated by the President.<sup>38</sup>

SEC. 204.<sup>39</sup> No programs of assistance shall be undertaken under the authority of this title after December 31, 1959.<sup>40</sup>

### TITLE III—GENERAL PROVISIONS

SEC. 301. Section 407 of the Agricultural Act of 1949<sup>41</sup> is amended by adding at the end thereof the following: "Notwithstanding the foregoing, the Corporation, on such terms and conditions as the Secretary may deem in the public interest, shall make available any farm commodity or product thereof owned or controlled by it for use in relieving distress (1) in any area in the United States declared by the President to be an acute distress area because of unemployment or other economic cause if the President finds that such use will not dis-

<sup>33</sup> Sec. 208 (b), Agricultural Act of 1956, amended sec. 201 by striking out "f. o. b. vessels in United States ports," after the parenthesis.

<sup>34</sup> 7 U. S. C. § 1722.

<sup>35</sup> 7 U. S. C. § 1723.

<sup>36</sup> "\$800,000,000" was substituted for "\$500,000,000" by sec. 3 of Public Law 85-128 [S. 1314], 71 Stat. 345, approved August 13, 1957.

<sup>37</sup> This sentence was amended by sec. 208 (c) of the Agricultural Act of 1956. It formerly read: "Not more than \$300,000,000 (including the Corporation's investment in the commodities) shall be expended for all transfers, including delivery on board vessels in United States ports, under this title."

<sup>38</sup> Last two sentences were added by sec. 208 (c) of the Agricultural Act of 1956.

<sup>39</sup> 7 U. S. C. § 1724.

<sup>40</sup> "December 31, 1959" was substituted for "June 30, 1958" by sec. 5 of Public Law 85-931 [S. 3420], 72 Stat. 1790.

<sup>41</sup> 7 U. S. C. § 1427.

place or interfere with normal marketing of agricultural commodities and (2) in connection with any major disaster determined by the President to warrant assistance by the Federal Government under Public Law 875, Eighty-first Congress, as amended (42 U. S. C. 1855). Except on a reimbursable basis, the Corporation shall not bear any costs in connection with making such commodity available beyond the cost of the commodities to the Corporation in store and the handling and transportation costs in making delivery of the commodity to designated agencies at one or more central locations in each State."

SEC. 302. Section 416 of the Agricultural Act of 1949<sup>42</sup> is amended to read as follows:

"SEC. 416. In order to prevent the waste of commodities acquired through price-support operations by the Commodity Credit Corporation before they can be disposed of in normal domestic channels without impairment of the price-support program or sold abroad at competitive world prices, the Commodity Credit Corporation is authorized, on such terms and under such regulations as the Secretary may deem in the public interest: (1) upon application, to make such commodities available to any Federal agency for use in making payment for commodities not produced in the United States; (2) to barter or exchange such commodities for strategic or other materials as authorized by law; (3) in the case of food commodities to donate such commodities to the Bureau of Indian Affairs and to such State, Federal, or private agency or agencies as may be designated by the proper State or Federal authority and approved by the Secretary, for use in the United States in nonprofit school-lunch programs, in the assistance of needy persons, and in charitable institutions, including hospitals, to the extent that needy persons are served; and (4) to donate any such food commodities in excess of anticipated disposition under (1), (2), and (3) above to nonprofit voluntary agencies registered with the Committee on Voluntary Foreign Aid of the Foreign Operations Administration or other appropriate department or agency of the Federal Government and intergovernmental organizations for use in the assistance of needy persons outside the United States. In the case of (3) and (4) above the Secretary shall obtain such assurance as he deems necessary that the recipients thereof will not diminish their normal expenditures for food by reason of such donation. In order to facilitate the appropriate disposal of such commodities, the Secretary may from time to time estimate and announce the quantity of such commodities which he anticipates will become available for distribution under (3) and (4) above. The Commodity Credit Corporation may pay, with respect to commodities disposed of under this section, reprocessing, packaging, transporting, handling, and other charges accruing up to the time of their delivery to a Federal agency or to the designated State or private agency, in the case of commodities made available for use within the United States, or their delivery free alongside ship or free on board export carrier at point of export, in the case of commodities made available for use outside the United States.<sup>43</sup>

<sup>42</sup> 7 U. S. C. § 1431.

<sup>43</sup> Sec. 212 of the Agricultural Act of 1956 further amended sec. 416 of the Agricultural Act of 1949, as amended, by inserting before the last sentence a new sentence as follows: "In addition, in the case of food commodities disposed of under this section, the Commodity Credit Corporation may pay the cost of processing such commodities into a form suitable for home or institutional use, such processing to be accomplished through private trade facilities to the greatest extent possible."

For the purpose of this section the terms 'State' and 'United States' include the District of Columbia and any Territory or possession of the United States."

SEC. 303.<sup>44</sup> The Secretary shall, whenever he determines that such action is in the best interest of the United States, and to the maximum extent practicable, barter or exchange agricultural commodities owned by the Commodity Credit Corporation for (a) such strategic or other materials of which the United States does not domestically produce its requirements and which entail less risk of loss through deterioration or substantially less storage charges as the President may designate, or (b) materials, goods, or equipment required in connection with foreign economic and military aid and assistance programs, or (c) materials or equipment required in substantial quantities for offshore construction programs. He is hereby directed to use every practicable means, in cooperation with other Government agencies, to arrange and make, through private channels, such barter or exchanges or to utilize the authority conferred on him by section 4 (h) of the Commodity Credit Corporation Charter Act, as amended,<sup>45</sup> to make such barter or exchanges. In carrying out barter or exchanges authorized by this section, no restrictions shall be placed on the countries of the free world into which surplus agricultural commodities may be sold, except to the extent that the Secretary shall find necessary in order to take reasonable precautions to safeguard usual marketings of the United States and to assure that barter or exchanges under this Act will not unduly disrupt world prices of agricultural commodities or replace cash sales for dollars. The Secretary may permit the domestic processing of raw materials of foreign origin. The Secretary shall endeavor to cooperate with other exporting countries in preserving normal patterns of commercial trade with respect to commodities covered by formal multilateral international marketing agreements to which the United States is a party. Agencies of the United States Government procuring such materials, goods, or equipment are hereby directed to cooperate with the Secretary in the disposal of surplus agricultural commodities by means of barter or exchange. The Secretary is also directed to assist, through such means as are available to him, farmers' cooperatives in effecting exchange of agricultural commodities in their possession for strategic materials.

<sup>44</sup> 7 U. S. C. § 1692. This section amended by sec. 6 of Public Law 85-931 [S. 3420], 72 Stat. 1790. It formerly read as follows:

"Whenever the Secretary has reason to believe that, in addition to other authorized methods and means of disposing of agricultural commodities owned by the Commodity Credit Corporation, there may be opportunity to protect the funds and assets of the Commodity Credit Corporation by barter or exchange of such agricultural commodities for (a) strategic materials entailing less risk of loss through deterioration or substantially less storage charges, or (b) materials, goods or equipment required in connection with foreign economic and military aid and assistance programs, or (c) materials or equipment required in substantial quantities for offshore construction programs, he is hereby directed to use every practicable means, in cooperation with other Government agencies, to arrange and make, through private trade channels, such barter or exchanges or to utilize the authority conferred on him by section 4 (h) of the Commodity Credit Corporation Charter Act, as amended, to make such barter or exchanges. Agencies of the United States Government procuring such materials, goods or equipment are hereby directed to cooperate with the Secretary in the disposal of surplus agricultural commodities by means of barter or exchange. Strategic materials so acquired by the Commodity Credit Corporation shall be considered as assets of the Corporation and other agencies of the Government, in purchasing strategic materials, shall purchase such materials from Commodity Credit Corporation inventories to the extent available in fulfillment of their requirements. The Secretary is also directed to assist, through such means as are available to him, farmers' cooperatives in effecting exchange of agricultural commodities in their possession for strategic materials."

<sup>45</sup> 15 U. S. C. § 714b.

SEC. 304.<sup>46</sup> The President shall exercise the authority contained in title I of this Act (1) to assist friendly nations to be independent of trade with the Union of Soviet Socialist Republics and with nations dominated or controlled by the Union of Soviet Socialist Republics and (2) to assure that agricultural commodities sold or transferred thereunder do not result in increased availability of those or like commodities to unfriendly nations.

(b) Nothing in this Act shall be construed as authorizing transactions under title I or title III with the Union of Soviet Socialist Republics or any of the areas dominated or controlled by the Communist regime in China.

SEC. 305.<sup>47</sup> All Commodity Credit Corporation stocks disposed of under title II of this Act and section 416 of the Agricultural Act of 1949, as amended,<sup>48</sup> shall be clearly identified by, as far as practical, appropriate marking on each package or container as being furnished by the people of the United States of America.

NOTE.—Section 5 of Public Law 85-128 [S. 1314], 71 Stat. 345, approved August 13, 1957, made the following provision for reporting to Congress:

"(5) Within sixty days after any agreement is entered into for the use of any foreign currencies, a full report thereon shall be made to the Senate and the House of Representatives of the United States and to the Committees on Agriculture and Appropriations thereof."

<sup>46</sup> 7 U. S. C. § 1693. Sec. 304 was amended by sec. 6 of Public Law 85-128 [S. 1314], 71 Stat. 345. It formerly read: "The President shall exercise the authority contained herein (1) to assist friendly nations to be independent of trade with the U. S. S. R. or nations dominated or controlled by the U. S. S. R. for food, raw materials and markets, and (2) to assure that agricultural commodities sold or transferred hereunder do not result in increased availability of those or like commodities to unfriendly nations."

<sup>47</sup> 7 U. S. C. § 1694.

<sup>48</sup> See sec. 302 of this Act.

**2. Extension of Agricultural Trade Development and Assistance Act of 1954, as Amended**

Partial text of Public Law 85-931 [S. 3420], 72 Stat. 1790, approved September 6, 1958

NOTE.—Except for sections 7, 8, and 9, reprinted below, the whole of Public Law 85-931 consists of amendments to the Agricultural Trade Development and Assistance Act of 1954, as amended.

AN ACT To extend and amend the Agricultural Trade Development and Assistance Act of 1954

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, \* \* \**

\* \* \* \* \*

SEC. 7. Section 206 (a) of the Agricultural Act of 1954 is amended by inserting before the period at the end thereof a semicolon and the following: "but no strategic or critical material shall be acquired by the Commodity Credit Corporation as a result of such barter or exchange except for such national stockpile, for such supplemental stockpile, for foreign economic or military aid or assistance programs, or for offshore construction programs."

SEC. 8. In carrying out the provisions of the Agricultural Trade Development and Assistance Act of 1954, as amended, extra long staple cotton shall be made available for sale pursuant to the provisions of title I of the Act in the same manner as upland cotton or any other surplus agricultural commodity is made available, and products manufactured from upland or long staple cotton shall be made available for sale pursuant to the provisions of title I of the Act as long as cotton is in surplus supply, and no discriminatory or other conditions shall be imposed which will prevent or tend to interfere with their sale or availability for sale under the Act: *Provided*, That that portion of the sales price of such products which is financed as a sale for foreign currency under title I of the Act shall be limited to the estimated portion of the sales price of such products attributable to the raw cotton content of such products.

SEC. 9. Notwithstanding any other provision of law (1) those areas under the jurisdiction or administration of the United States are authorized to receive from the Department of Agriculture for distribution on the same basis as domestic distribution in any State, Territory, or possession of the United States, without exchange of funds, such surplus commodities as may be available pursuant to clause (2) of section 32 of the Act of August 24, 1935, as amended (7 U. S. C. 612c), and section 416 of the Agricultural Act of 1949, as amended (7 U. S. C.

1431); and (2) the Commodity Credit Corporation is authorized to purchase products of oil seeds, and edible oils and fats and the products thereof in such form as may be needed for donation abroad as provided in the following sentence. Any such commodities or products if purchased shall be donated to nonprofit voluntary agencies registered with the Department of State, other appropriate agencies of the Federal Government or international organizations for use in the assistance of needy persons outside the United States. Commodity Credit Corporation may incur such additional costs with respect to such oil as it is authorized to incur with respect to food commodities disposed of under section 416 of the Agricultural Act of 1949.

### 3. Executive Order No. 10560

**Text of Executive Order No. 10560, September 9, 1954, 19 F. R. 5927, as Amended by Executive Order No. 10685, October 27, 1956, 21 F. R. 8261, and as Amended by Executive Order No. 10708, May 6, 1957, 22 F. R. 3213**

#### ADMINISTRATION OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

By virtue of the authority vested in me by section 301 of title 3 of the United States Code (65 Stat. 713) and as President of the United States, it is ordered as follows:

**SECTION 1. Department of Agriculture.** Except as otherwise provided in this order, the functions conferred upon the President by Title I of the Agricultural Trade Development and Assistance Act of 1954 are hereby delegated to the Secretary of Agriculture.

**SEC. 2. Foreign Operations Administration.** The functions conferred upon the President by Title II of the Act are hereby delegated to the Director of the Foreign Operations Administration.<sup>1</sup>

**SEC. 3. Department of State.** (a) The functions of negotiating and entering into agreements with friendly nations or organizations of friendly nations conferred upon the President by the Act are hereby delegated to the Secretary of State.

(b) All functions under the Act, however vested, delegated, or assigned, shall be subject to the responsibilities of the Secretary of State with respect to the foreign policy of the United States as such policy relates to the said functions.

(c) The provisions of Part III of Executive Order No. 10476 of August 1, 1953 (18 F. R. 4537, ff.),<sup>2</sup> are hereby extended and made applicable to functions provided for in the Act and to United States agencies and personnel concerned with the administration abroad of the said functions.

**SEC. 4. Foreign currencies.** (a) There are hereby delegated to the Director of the Bureau of the Budget (1) so much of the functions conferred upon the President by the Act as consists of fixing from time to time the amounts of foreign currencies which accrue under Title I of the Act to be used for each of the several purposes described in paragraphs (a) to (f), inclusive, and paragraphs (h) to (j), inclusive,<sup>3</sup> of section 104 of the Act, and (2) the function conferred upon the President by the last proviso in section 104 of the Act of waiving the applicability of section 1415 of the Supplemental Appropriation Act, 1953.<sup>4</sup>

<sup>1</sup> See Executive Order No. 10610, page 106, and State Department Delegation of Authority No. 85, as amended (page 111).

<sup>2</sup> Sec. 302 (b) of Executive Order No. 10575, as amended (the full text of which appears on page 98) provides: "The reference in section 3 (c) of Executive Order No. 10580 of September 9, 1954 (19 F. R. 5927), to Part III of Executive Order No. 10476 shall after the date of this order be deemed to be a reference to Part II of this order."

<sup>3</sup> Sec. 1 of Executive Order 10708 substituted "paragraphs (a) to (f), inclusive, and (h) to (j), inclusive" for "paragraphs (a) to (h), inclusive."

<sup>4</sup> For text, see p. 74.

(b) The Secretary of the Treasury is hereby authorized to prescribe regulations governing the purchase, custody, deposit, transfer, and sale of foreign currencies received under the Act.

(c) The foregoing provisions of this section shall not limit section 3 of this order and the foregoing subsection (b) shall not limit subsection (a) above.

(d) Purposes described in the lettered paragraphs of section 104 of the Act shall be carried out, with foreign currencies made available pursuant to section 4 (a) of this order, as follows:

(1) Those under section 104 (a) of the Act by the Department of Agriculture.

(2) Those under section 104 (b) of the Act by the Office of Defense Mobilization. The function, conferred upon the President by that section, of determining from time to time materials to be purchased or contracted for for a supplemental stockpile is hereby delegated to the Director of the Office of Defense and Civilian Mobilization.

(3)<sup>6</sup> Those under section 104 (c) of the Act by the Department of Defense or the Department of State, as those agencies shall agree, or in the absence of agreement, as the Director of the Bureau of the Budget shall determine.

(4) Those under sections 104 (d), (e), and (g) of the Act by the Foreign Operations Administration. The function, conferred upon the President by section 104 (g) of the Act, of determining the manner in which the loans provided for in the said section 104 (g) shall be made, is hereby delegated to the Director of the Foreign Operations Administration. The amounts of foreign currencies which accrue under Title I of the Act to be used for the loans described in paragraph (g) of section 104 of the Act shall be the amounts thereof specified, or shall be the amounts thereof corresponding to the dollar amounts specified, for such loans in sales agreements entered into pursuant to section 3 (a) of this order.<sup>8</sup>

(5) Those under section 104 (f) of the Act by the respective agencies of the Government having authority to pay United States obligations abroad.

(6) Those under section 104 (h) of the Act by the Department of State.

(7)<sup>7</sup> Those under section 104 (i) of the Act by the United States Information Agency.

(8)<sup>7</sup> Those under section 104 (j) of the Act by the Department of State and by the United States Information Agency in accordance with the division of responsibilities for the administration of section 203 of the United States Information and Educational Exchange Act of 1948 (62 Stat. 6) provided by Reorganization Plan No. 8 of 1953 (67 Stat. 642) and Executive Order No. 10477 of August 1, 1953, and by subsequent agreement between the Department of State and the United States Information Agency.

<sup>5</sup>This paragraph was amended by sec. 2 of Executive Order No. 10708. It formerly read: "Those under sec. 104 (c) of the Act by the Department of Defense."

<sup>6</sup>This last sentence in paragraph (4) was added by sec. 3 of Executive Order No. 10708.

<sup>7</sup>Pars. (7) and (8) were added by sec. 4 of Executive Order No. 10708.

~~SURPLUS AGRICULTURAL COMMODITIES~~

SEC. 5.<sup>8</sup> RESERVATIONS OF FUNCTIONS TO THE PRESIDENT. There are reserved to the President the functions conferred upon him by section 108 of the Act (with respect to making reports to Congress) and by the last sentence of section 203 of the Act (with respect to designating the Federal agency to which funds required for ocean freight costs may be transferred by the Commodity Credit Corporation).<sup>9</sup>

SEC. 6.<sup>10</sup> DEFINITION. As used in this order the term "Act" means the Agricultural Trade Development and Assistance Act of 1954 (68 Stat. 454), as amended, and includes, except as may be inappropriate, the provisions thereof amending other laws.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, September 9, 1954.

<sup>8</sup> This section was amended by sec. 2 of Executive Order No. 10685. It formerly read: "*Reports to Congress*. The functions under section 108 of the Act, with respect to making reports to Congress, are reserved to the President."

<sup>9</sup> Executive Order No. 10685 provides: "Sec. 1. The International Cooperation Administration is hereby designated as the Federal agency to which funds required for ocean freight costs authorized under Title II of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U. S. C. 1721-1724), may be transferred by the Commodity Credit Corporation."

<sup>10</sup> This section was amended by sec. 2 of Executive Order No. 10685. It formerly read: "*Definition*. As used in this order the term 'the Act' means the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, approved July 10, 1954, 68 Stat. 454) and includes, except as may be inappropriate, the provisions thereof amending other laws."

## D. DEPARTMENT OF STATE

### 1. Foreign Service Act of 1946, as Amended

Text of Public Law 724, 79th Cong. [H. R. 6967], 60 Stat. 999, approved August 13, 1946; as amended by P. L. 73, 81st Cong. [S. 1704], 63 Stat. 111, May 26, 1949; P. L. 160, 81st Cong. [H. R. 5100], 63 Stat. 407, July 6, 1949; P. L. 759, 83d Cong. [H. R. 9910], 68 Stat. 1051, August 31, 1954; P. L. 22, 84th Cong. [H. R. 4941], 69 Stat. 24, April 5, 1955; P. L. 250, 84th Cong. [S. 2237], 69 Stat. 536, August 5, 1955; P. L. 726, 84th Cong. [H. R. 11356], 70 Stat. 555, July 18, 1956; P. L. 828, 84th Cong. [S. 3481], 70 Stat. 704, July 28, 1956; P. L. 85-462 [S. 734], 72 Stat. 203, June 20, 1958; and P. L. 85-477 [H. R. 12181], 72 Stat. 261, June 30, 1958.

AN ACT To improve, strengthen, and expand the Foreign Service of the United States and to consolidate and revise the laws relating to its administration.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### TITLE I—SHORT TITLE, OBJECTIVES, AND DEFINITIONS

##### PART A—SHORT TITLE

SEC. 101. Titles I to X, inclusive, of this Act may be cited as the "Foreign Service Act of 1946."

##### PART B—OBJECTIVES

SEC. 111.<sup>1</sup> The Congress hereby declares that the objectives of this Act are to develop and strengthen the Foreign Service of the United States so as—

- (1) to enable the Foreign Service effectively to serve abroad the interests of the United States;
- (2) to insure that the officers and employees of the Foreign Service are broadly representative of the American people and are aware of and fully informed in respect to current trends in American life;
- (3) to enable the Foreign Service adequately to fulfill the functions devolving on it by reason of the transfer to the Department of State of functions heretofore performed by other Government agencies;
- (4) to provide improvements in the recruitment and training of the personnel of the Foreign Service;
- (5) to provide that promotions leading to positions of authority and responsibility shall be on the basis of merit and to insure the selection on an impartial basis of outstanding persons for such positions;

<sup>1</sup> 22 U. S. C. § 801.

- (6) to provide for the temporary appointment or assignment to the Foreign Service of representative and outstanding citizens of the United States possessing special skills and abilities;
- (7) to provide salaries, allowances, and benefits that will permit the Foreign Service to draw its personnel from all walks of American life and to appoint persons to the highest positions in the Service solely on the basis of their demonstrated ability;
- (8) to provide a flexible and comprehensive framework for the direction of the Foreign Service in accordance with modern practices in public administration; and
- (9) to codify into one Act all provisions of law relating to the administration of the Foreign Service.

#### PART C—DEFINITIONS

SEC. 121.<sup>2</sup> When used in this Act, the term—

- (1) "Service" means the Foreign Service of the United States;
- (2) "Secretary" means the Secretary of State;
- (3) "Department" means the Department of State;
- (4) "Government agency" means any executive department, board, bureau, commission, or other agency in the executive branch of the Federal Government, or any corporation wholly owned (either directly or through one or more corporations) by the United States;
- (5) "Government" means the Government of the United States of America;
- (6) "Continental United States" means the States and the District of Columbia;
- (7) "Abroad" means all areas not included in the continental United States as defined in paragraph (6) of this section;
- (8) "Principal officer" means the officer in charge of an embassy, legation, or other diplomatic mission or of a consulate general, consulate, or vice consulate of the United States; and
- (9) "Chief of mission" means a principal officer appointed by the President, by and with the advice and consent of the Senate, to be in charge of an embassy or legation or other diplomatic mission of the United States, or any person assigned under the terms of this Act to be minister resident, chargé d'affaires, commissioner, or diplomatic agent.

#### TITLE II—GOVERNING BODIES FOR THE DIRECTION OF THE SERVICE

##### PART A—OFFICERS

###### DIRECTOR GENERAL

SEC. 201.<sup>3</sup> The Service shall be administered by a Director General of the Foreign Service, hereinafter referred to as the Director General, who shall be appointed by the Secretary from among Foreign Service officers in the class of career minister or in class 1. Under the general supervision of the Secretary and the Assistant Secretary of

<sup>2</sup> 22 U. S. C. § 802.  
<sup>3</sup> 22 U. S. C. § 821.

NOTE.—The centralization of authority for the administration of the Foreign Service was vested in the Secretary of State by section 3 of Public Law 73, 81st Congress, 63 Stat. 111 (22 U. S. C. 811a). That section provides:

"SEC. 3. The Secretary of State, or such person or persons designated by him, notwithstanding the provisions of the Foreign Service Act of 1946 (60 Stat. 999) or any other law, except where authority is inherent in or vested in the President of the United States, shall administer, coordinate, and direct the Foreign Service of the United States and the personnel of the State Department. Any provisions in the Foreign Service Act of 1946, or in any other law, vesting authority in the 'Assistant Secretary of State for Administration,' the 'Assistant Secretary of State in Charge of the Administration of the Department,' the 'Director General,' or any other reference with respect thereto, are hereby amended to vest such authority in the Secretary of State."

State in charge of the administration of the Department, the Director General shall, in addition to administering the Service and performing the duties specifically vested in him by this or any other Act, coordinate the activities of the Service with the needs of the Department and of other Government agencies and direct the performance by officers and employees of the Service of the duties imposed on them by the terms of any law or by any order or regulation issued pursuant to law or by any international agreement to which the United States is a party.<sup>4</sup>

#### PART B—BOARDS

##### BOARD OF THE FOREIGN SERVICE

Sec. 211.<sup>5</sup> (a) The Board of the Foreign Service shall be composed of the Assistant Secretary of State in charge of the administration of the Department, who shall be Chairman; two other Assistant Secretaries of State, designated by the Secretary to serve on the Board; the Director General; and one representative each, occupying positions with comparable responsibilities, from the Departments of Agriculture, Commerce, and Labor, designated, respectively, by the heads of such departments. The Secretary may request the head of any other Government department to designate a representative, occupying a position with comparable responsibilities, to attend meetings of the Board whenever matters affecting the interest of such department are under consideration.<sup>6</sup>

<sup>4</sup> Sec. 202 of the Act as repealed by sec. 5 of Public Law 73, 81st Congress, 63 Stat. 111. It formerly read as follows: "The Director General shall be assisted by a Deputy Director General of the Foreign Service, hereinafter referred to as the Deputy Director General, who shall be appointed by the Secretary. If he is a Foreign Service officer, he shall be selected from among officers in the class of career minister or in class 1. The Deputy Director General shall act in the place of the Director General in the event of his absence or incapacity."

<sup>5</sup> 22 U. S. C. § 826.

<sup>6</sup> See note following sec. 201.

(b) The Board of the Foreign Service shall make recommendations to the Secretary concerning the functions of the Service; the policies and procedures to govern the selection, assignment, rating, and promotion of Foreign Service officers; and the policies and procedures to govern the administration and personnel management of the Service; and shall perform such other duties as are vested in it by other sections of this Act or by the terms of any other Act.<sup>7</sup>

THE BOARD OF EXAMINERS FOR THE FOREIGN SERVICE

SEC. 212.<sup>8</sup> (a) The Board of Examiners for the Foreign Service shall, in accordance with regulations prescribed by the Secretary and under the general supervision of the Board of the Foreign Service, provide for and supervise the conduct of such examinations as may be given to candidates for appointment as Foreign Service officers in accordance with the provisions of sections 516 and 517 or to any other person to whom an examination for admission to the Service shall be given in accordance with the provisions of this or any other Act or any regulations issued pursuant thereto, and provide for such procedures as may be necessary to determine the loyalty of such persons to the United States and their attachment to the principles of the Constitution.

(b) The membership of the Board of Examiners for the Foreign Service, not more than half of which shall consist of Foreign Service officers, shall be constituted in accordance with regulations prescribed by the Secretary.

TITLE III—DUTIES

PART A—GENERAL DUTIES

COMPLIANCE WITH TERMS OF STATUTES, INTERNATIONAL AGREEMENTS,  
AND EXECUTIVE ORDERS

SEC. 301.<sup>9</sup> Officers and employees of the Service shall, under the direction of the Secretary, represent abroad the interests of the United States and shall perform the duties and comply with the obligations resulting from the nature of their appointments or assignments or imposed on them by the terms of any law or by any order or regulation issued pursuant to law or by any international agreement to which the United States is a party.

DUTIES FOR WHICH REGULATIONS MAY BE PRESCRIBED

SEC. 302.<sup>10</sup> The Secretary shall, except in an instance where the authority is specifically vested in the President, have authority to prescribe regulations not inconsistent with the Constitution and the laws of the United States in relation to the duties, functions, and obligations of officers and employees of the Service and the administration of the Service.

<sup>7</sup> See Executive Order No. 10522 (page 136), and sec. 101 (c) of Executive Order No. 10575, as amended (page 99).

<sup>8</sup> 22 U. S. C. § 827.

<sup>9</sup> 22 U. S. C. § 841.

<sup>10</sup> 22 U. S. C. § 842.

DELEGATION OF AUTHORITY TO PRESCRIBE REGULATIONS

SEC. 303.<sup>11</sup> In cases where authority to prescribe regulations relating to the Service or the duties and obligations of officers and employees of the Service is specifically vested in the President by the terms of this or any other Act, the President may, nevertheless, authorize the Secretary to prescribe such regulations.

PART B.—SERVICES FOR GOVERNMENT AGENCIES AND OTHER ESTABLISHMENTS OF THE GOVERNMENT

SEC. 311.<sup>12</sup> The officers and employees of the Service shall, under such regulations as the President may prescribe, perform duties and functions in behalf of any Government agency or any other establishment of the Government requiring their services, including those in the legislative and judicial branches, but the absence of such regulations shall not preclude officers and employees of the Service from acting for and on behalf of any such Government agency or establishment whenever it shall, through the Department, request their services.

TITLE IV—CATEGORIES AND SALARIES OF PERSONNEL

PART A—CATEGORIES OF PERSONNEL

SEC. 401.<sup>13</sup> The personnel of the Service shall consist of the following categories of officers and employees:

- (1) Chiefs of mission, who shall be appointed or assigned in accordance with the provisions of section 501;
- (2) Foreign Service officers, who shall be appointed in accordance with section 511, including those serving as chiefs of mission;
- (3) Foreign Service Reserve officers, who shall be assigned to the Service on a temporary basis from Government agencies or appointed on a temporary basis from outside the Government in accordance with the provisions of section 522, in order to make available to the Service such specialized skills as may from time to time be required;
- (4) Foreign service staff officers and employees, who shall be appointed in accordance with the provisions of section 531 and who shall include all personnel who are citizens of the United States, not comprehended under paragraphs (1), (2), (3), and (6) of this section, and who shall occupy positions with technical, administrative, fiscal, clerical, or custodial responsibilities;
- (5) Alien clerks and employees, who shall be appointed in accordance with the provisions of section 541; and
- (6) Consular agents, who shall be appointed in accordance with the provisions of section 551.

PART B—SALARIES

CHIEFS OF MISSION

SEC. 411.<sup>14</sup> The President shall for salary purposes classify into four classes the positions which are to be occupied by chiefs of mission.

<sup>11</sup> 22 U. S. C. § 843.  
<sup>12</sup> 22 U. S. C. § 846.  
<sup>13</sup> 22 U. S. C. § 861.  
<sup>14</sup> 22 U. S. C. § 866.

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The per annum salaries of chiefs of mission within each class shall be as follows: Class 1, \$27,500 per annum; class 2, \$25,000; class 3, \$22,500; and class 4, \$20,000.<sup>15</sup>

FOREIGN SERVICE OFFICERS

SEC. 412.<sup>16</sup> There shall be ten classes of Foreign Service officers, including the classes of career ambassador and of career minister. The per annum salary of a career ambassador shall be \$20,000. The per annum salary of a career minister shall be \$19,250.<sup>17</sup> The per annum salaries of Foreign Service officers within each of the other classes shall be as follows:

Class 1	\$16,060	\$16,500	\$16,940	\$17,380	\$17,820	\$18,260	\$18,700
Class 2	13,860	14,190	14,520	14,850	15,180	15,510	15,840
Class 3	11,660	11,990	12,320	12,650	12,980	13,310	13,640
Class 4	9,900	10,175	10,450	10,725	11,000	11,275	11,550
Class 5	8,140	8,415	8,690	8,965	9,240	9,515	9,790
Class 6	6,710	6,930	7,150	7,370	7,590	7,810	8,030
Class 7	5,610	5,775	5,940	6,105	6,270	6,435	6,600
Class 8	4,730	4,895	5,060	5,225	5,390	5,555	5,720
							\$5,885 <sup>17</sup>

SALARIES AT WHICH FOREIGN SERVICE OFFICERS MAY BE APPOINTED

SEC. 413.<sup>18</sup> A person appointed as a Foreign Service officer shall receive basic salary at one of the rates of the class to which he is appointed which the Secretary shall, taking into consideration his age, qualifications, and experience, determine to be appropriate for him to receive.<sup>19</sup>

FOREIGN SERVICE RESERVE OFFICERS

SEC. 414.<sup>20</sup> There shall be eight classes of Foreign Service Reserve officers, referred to hereafter as Reserve officers, which classes shall correspond to classes 1 to 8 of Foreign Service officers.<sup>21</sup>

(b) A Reserve officer shall receive salary at any one of the rates provided for the class to which he is appointed or assigned in accordance with the provisions of section 523.

<sup>15</sup>This sentence was amended by sec. 2 of the Foreign Service Act Amendments of 1956, Public Law 828, 84th Cong., 70 Stat. 704. The per annum salaries of chiefs of mission previously read: "Class 1, \$25,000 per annum; class 2, \$20,000; class 3, \$17,500; and class 4, \$15,000."

<sup>16</sup>This section was revised by sec. 3 of the Foreign Service Act Amendments of 1956. The original rates of basic compensation have been increased to the present rates shown above by the following laws: Sec. 1 (a) of Public Law 160, 81st Cong., 63 Stat. 407; sec. 5 (a) of Public Law 201, 82nd Cong., 65 Stat. 612; sec. 7 of Public Law 94, 84th Cong., 69 Stat. 172; sec. 3 of Public Law 828, 84th Cong., 70 Stat. 704.

<sup>17</sup>Sec. 6 (a) (1) of the Federal Employees Salary Increase Act of 1958 (Public Law 85-462, 72 Stat. 203), substituted "\$19,250" in lieu of "\$17,500", and sec. 6 (a) (2) of the Act amended sec. 412 by inserting the new salary schedule.

<sup>18</sup>22 U. S. C. § 868.

<sup>19</sup>This section was revised by sec. 2 of Public Law 22, 84th Cong., 69 Stat. 24. As originally enacted the section read:

"SEC. 413. (a) A person appointed as a Foreign Service officer of class 6 shall receive salary at that one of the rates provided for that class by section 412 which the Secretary shall, taking into consideration his age, qualifications, and experience, determine to be appropriate for him to receive.

"(b) A person appointed as a Foreign Service officer of classes 1 through 5, inclusive, shall receive salary at the minimum rate provided for the class to which he has been appointed."

Sec. (b) was later amended by Public Law 759, 83d Cong., 68 Stat. 1051, to read as follows:

"(b) A person appointed as a Foreign Service officer of classes 1 through 5, inclusive, shall receive salary at the minimum rate provided for the class to which he has been appointed, except that until March 31, 1955, not more than five hundred persons may be appointed from the classified civil service or the Foreign Service reserve or Foreign Service staff at other than the minimum rate."

<sup>20</sup>22 U. S. C. § 869.

<sup>21</sup>Sec. 4 of the Foreign Service Act Amendments of 1956 substituted the word "eight" for the word "six" and the number "8" for the number "6".

(c) A person assigned as a Reserve officer from any Government agency shall receive his salary from appropriations provided for the Department during the period of his service as a Reserve officer.

FOREIGN SERVICE STAFF OFFICERS AND EMPLOYEES

SEC. 415.<sup>22</sup> There shall be twenty-two classes of Foreign Service staff officers and employees, referred to hereafter as staff officers and employees. The per annum rates of salary of staff officers and employees within each class shall be as follows:

Class 1----	\$11,770	\$12,120	\$12,480	\$12,830	\$13,160		
Class 2----	10,920	11,205	11,485	11,770	12,120		
Class 3----	10,030	10,320	10,600	10,885	11,165		
Class 4----	9,095	9,380	9,665	9,945	10,230		
Class 5----	8,395	8,610	8,815	9,030	9,315	\$9,600	
Class 6----	7,690	7,905	8,120	8,325	8,540	8,755	
Class 7----	6,990	7,200	7,415	7,630	7,840	8,050	
Class 8----	6,285	6,495	6,710	6,925	7,140	7,350	
Class 9----	5,585	5,795	6,005	6,220	6,435	6,650	
Class 10----	5,115	5,260	5,400	5,540	5,755	5,970	\$6,175
Class 11----	4,650	4,790	4,930	5,070	5,215	5,355	5,500
Class 12----	4,180	4,320	4,460	4,605	4,745	4,890	5,025
Class 13----	3,730	3,870	4,010	4,155	4,295	4,440	4,580
Class 14----	3,300	3,445	3,585	3,730	3,870	4,010	4,155
Class 15----	3,090	3,165	3,230	3,300	3,445	3,585	3,730
Class 16----	2,875	2,950	3,020	3,090	3,165	3,230	3,300
Class 17----	2,660	2,735	2,805	2,875	2,950	3,020	3,090
Class 18----	2,455	2,520	2,590	2,660	2,735	2,805	2,875
Class 19----	2,240	2,310	2,380	2,455	2,520	2,590	2,660
Class 20----	2,025	2,095	2,165	2,240	2,310	2,380	2,455
Class 21----	1,810	1,880	1,955	2,025	2,095	2,165	2,240
Class 22----	1,600	1,670	1,745	1,810	1,880	1,955	2,025 <sup>23</sup>

SALARIES AT WHICH FOREIGN SERVICE STAFF OFFICERS AND EMPLOYEES  
MAY BE APPOINTED

SEC. 416.<sup>24</sup> A person appointed as a staff officer or employee shall receive salary at the minimum rate provided for the class to which appointed except as otherwise provided in accordance with the provisions of part E of this title.

SALARIES OF ALIEN CLERKS AND EMPLOYEES

SEC. 417.<sup>25</sup> The salary or compensation of an alien clerk or employee shall be fixed by the Secretary in accordance with such regulations as he shall prescribe and, as soon as practicable, in accordance with the provisions of section 444 (b). The salary or compensation of an alien clerk or employee fixed on a per annum basis may, notwithstanding the provisions of any other law, be payable on a weekly or

<sup>22</sup> 22 U. S. C. § 870.

<sup>23</sup> The original rates of basic compensation have been increased to the present rates shown above by the following laws: Sec. 1 (a) of Public Law 160, 81st Cong., 63 Stat. 407; sec. 5 (a) of Public Law 201, 82d Cong., 65 Stat. 612; sec. 7 of Public Law 94, 84th Cong., 69 Stat. 172.

<sup>24</sup> Sec. 6 (a) (3) of the Federal Employees Salary Increase Act of 1958, Public Law 85-462, 72 Stat. 703, inserted the new salary schedule, and sec. 6 (b) of the Act provides: "Foreign Service officers, Reserve officers, and Foreign Service staff officers and employees who are entitled to receive basic compensation immediately prior to the effective date of this section at one of the step rates provided by sections 412 or 415 of the Foreign Service Act of 1946, shall receive basic compensation on or after the effective date of this section at the corresponding step rate as provided by such sections 412 or 415 as amended by this section."

<sup>25</sup> 22 U. S. C. § 871.

<sup>26</sup> 22 U. S. C. § 872.

biweekly basis. When a one- or two-week pay period of such a clerk or employee begins in one fiscal year and ends in another, the gross amount of the earnings for such pay period may be regarded as a charge against the appropriation or allotment current at the end of such pay period.

SALARIES OF CONSULAR AGENTS

SEC. 418.<sup>26</sup> The salary or compensation of a consular agent shall be fixed by the Secretary in accordance with such regulations as he shall prescribe and, as soon as practicable, in accordance with the provisions of section 445.

PART C—SALARIES OF OFFICERS TEMPORARILY IN CHARGE

AS CHARGES D'AFFAIRES AD INTERIM

SEC. 421.<sup>27</sup> For such time as any Foreign Service officer shall be authorized to act as chargé d'affaires ad interim at the post to which he is assigned, he shall receive, in addition to his basic salary as Foreign Service officer, compensation equal to that portion of the difference between such salary and the basic salary provided for the chief of mission as the Secretary may determine to be appropriate.

AS OFFICERS IN CHARGE OF CONSULATES GENERAL OR CONSULATES

SEC. 422.<sup>28</sup> For such time as any Foreign Service officer or any consul or vice consul who is not a Foreign Service officer is temporarily in charge of a consulate general or consulate during the absence or incapacity of the principal officer, he shall receive, in addition to his basic salary as Foreign Service officer or consul or vice consul, compensation equal to that portion which the Secretary shall determine to be appropriate of the difference between such salary and the basic salary provided for the principal officer, or, if there be none, of the former principal officer.

PART D—TIME OF RECEIVING SALARY

CHIEFS OF MISSION

SEC. 431.<sup>29</sup> (a) Under such regulations as the Secretary may prescribe, a chief of mission may be entitled to receive salary from the effective date of his appointment to the date marking his return to his place of residence at the conclusion of the period of his official service as chief of mission or the termination of time spent on authorized leave, whichever shall be later, but no chief of mission shall be entitled to receive salary while absent from his post whenever the Secretary shall find that such absence was without authorization or justification. If a chief of mission in one position is appointed as chief of mission in another position, he shall be entitled to receive the salary pertaining to the new position commencing on the effective date of the new appointment.

<sup>26</sup> 22 U. S. C. § 873.  
<sup>27</sup> 22 U. S. C. § 876.  
<sup>28</sup> 22 U. S. C. § 877.  
<sup>29</sup> 22 U. S. C. § 881.

(b) The official services of a chief of mission shall not be deemed terminated by the appointment of a successor but shall continue until he has relinquished charge of the mission and has rendered such additional services to the Department as the Secretary may require him to render in the interests of the Government for a period not in excess of thirty days, exclusive of time spent in transit.

(c) During the service of a Foreign Service officer as chief of mission he shall receive in addition to his salary as Foreign Service officer, compensation equal to the difference, if any, between such salary and the salary of the position to which he is appointed or assigned.

OTHER OFFICERS AND EMPLOYEES

SEC. 432.<sup>30</sup> (a) Under such regulations as the Secretary may prescribe, any officer or employee appointed to the Service, may be entitled to receive salary from the effective date of his appointment to the date when he shall have returned to his place of residence at the conclusion of the period of his official service, or the termination of time spent on authorized leave, whichever shall be later, but no such officer or employee shall be entitled to receive salary while absent from his post whenever the Secretary shall find that such absence was without authorization or justification.

(b) A Foreign Service officer, appointed during a recess of the Senate, shall be paid salary from the effective date of his appointment until the end of the next session of the Senate, if he has not theretofore been confirmed by the Senate, or until his rejection by the Senate before the end of its next session.

(c) A Foreign Service officer promoted to a higher class shall receive salary at the rate prescribed in section 412 for the class to which he is promoted from the effective date of his appointment to such class. A Foreign Service officer promoted to a higher class during a recess of the Senate shall receive salary at the rate prescribed for the class to which he is promoted from the effective date of his appointment to such class until the end of the next session. If the Senate should reject or fail to confirm the promotion of such an officer during the session following the date of his promotion, the Foreign Service officer shall, unless he has become liable to separation in accordance with the provisions of section 633,<sup>31</sup> be automatically reinstated in the class from which he was promoted and receive the salary he was receiving prior to his promotion, such reinstatement to be effective, in the event of rejection of the nomination, from the date of rejection; and in the event of the failure of the Senate to act on the nomination during the session following a promotion, from the termination of that session.

PART E—CLASSIFICATION

CLASSIFICATION OF POSITIONS IN THE FOREIGN SERVICE

SEC. 441.<sup>32</sup> Under such regulations as he may prescribe, the Secretary shall classify all positions in the Service, including those positions at foreign posts which may be held by career ministers, and shall

<sup>30</sup> 22 U. S. C. § 882.  
<sup>31</sup> The words "or 634" following the words "provisions of section 633" were deleted by sec. 13 of Public Law 22, 84th Cong., 69 Stat. 24.

<sup>32</sup> 22 U. S. C. § 886.

allocate all positions occupied or to be occupied by staff officers or employees to classes and subclasses established by sections 415 and 442, respectively, and by alien employees and consular agents to such classes as may be established by regulation.

**ADMINISTRATIVE ESTABLISHMENT OF NEW GROUPS OF POSITIONS FOR FOREIGN SERVICE STAFF OFFICERS AND EMPLOYEES**

SEC. 442.<sup>33</sup> The Secretary may, whenever he deems such action to be in the interests of good administration and warranted by the nature of the duties and responsibilities of any group of positions occupied or to be occupied by staff officers and employees in comparison with other positions in the same class, establish by regulation for any such group of positions a minimum salary computed at any one of the rates of salary above the minimum for a given class but not in excess of the middle rate provided for that class in section 415. Such groups of positions shall, for the purposes of this Act, be known as subclasses.

**ADMINISTRATIVE ESTABLISHMENT OF SALARY DIFFERENTIALS**

SEC. 443.<sup>34</sup> The President may, under such regulations as he may prescribe, establish rates of salary differential, not exceeding 25 per centum of basic salary, for Foreign Service officers, Reserve officers, and staff officers and employees assigned to posts involving extraordinarily difficult living conditions, excessive physical hardship, or notably unhealthful conditions. The Secretary shall prepare and maintain a list of such posts.<sup>35</sup>

**CLASSIFICATION OF POSITIONS OF ALIEN CLERKS AND EMPLOYEES**

SEC. 444.<sup>36</sup> (a) Upon the basis of the classification provided for in section 441, the Secretary shall, with the advice of the Board of the Foreign Service, from time to time prepare schedules of salaries for classes of positions of alien clerks and employees of the Service, which classes shall be established by regulation, and shall allocate all such positions to the appropriate classes.

(b) All alien employees in an area of comparatively uniform wage scales and standards of living, occupying positions of equal responsibility, shall receive equal pay except as there may be increases provided for length of service in accordance with uniform procedures.

**CLASSIFICATION OF CONSULAR AGENTS**

SEC. 445.<sup>37</sup> Upon the basis of the classification provided for in section 441, the Secretary shall, with the advice of the Board of the For-

<sup>33</sup> 22 U. S. C. § 887.

<sup>34</sup> 22 U. S. C. § 888.

<sup>35</sup> This section was revised by sec. 3 of Public Law 22, 84th Cong., 69 Stat. 24. It formerly read as follows:

"Whenever the President shall find and declare that the rates of salary provided for Foreign Service staff officers and employees in section 415 are inadequate for any positions allocated to any particular class or subclass, he may, under such regulations as he may prescribe, establish necessary schedules of differentials in the rates of salary prescribed for such classes or subclasses, but the differential in salary of a person holding any such position shall not exceed 25 per centum of the salary he would otherwise receive. Such differentials shall be granted only with respect to positions at posts at which extraordinarily difficult living conditions or excessive physical hardship prevail or at which notably unhealthful conditions exist. The Secretary shall prepare and maintain a list of such posts."

<sup>36</sup> 22 U. S. C. § 889.

<sup>37</sup> 22 U. S. C. § 890.

eign Service, from time to time prepare schedules of salaries for classes of positions of consular agents, which classes shall be established by regulation, and shall allocate all such positions to the appropriate classes.<sup>38</sup>

## TITLE V—APPOINTMENTS AND ASSIGNMENTS

### PART A—PRINCIPAL DIPLOMATIC REPRESENTATIVES

#### APPOINTMENTS

SEC. 501.<sup>39</sup> (a) The President shall, by and with the advice and consent of the Senate, appoint ambassadors and ministers, including career ambassadors and career ministers.<sup>40</sup>

(b) The President may, in his discretion, assign any Foreign Service officer to serve as minister resident, chargé d'affaires, commissioner, or diplomatic agent for such period as the public interest may require.

#### LISTS OF FOREIGN SERVICE OFFICERS QUALIFIED TO BE CAREER MINISTERS OR CHIEFS OF MISSION TO BE FURNISHED TO THE PRESIDENT

SEC. 502.<sup>41</sup> (a) The Secretary shall, on the basis of recommendations made by the Board of the Foreign Service, from time to time furnish the President with the names of Foreign Service officers qualified for appointment to the class of career ambassador and<sup>42</sup> career minister together with pertinent information about such officers, but no person shall be appointed into the class of career minister who has not been appointed to serve as a chief of mission or appointed or assigned to serve in a position which, in the opinion of the Secretary, is of comparable importance. A list of such positions shall from time to time be published by the Secretary. No person shall be appointed into the class of career ambassador who has not (1) served for at least fifteen years in a position of responsibility in a Government agency, or agencies, including at least three years as a career minister; (2) rendered exceptionally distinguished service to the Government; and (3) met such other requirements as the Secretary shall prescribe.<sup>43</sup>

(b) The Secretary shall also, on the basis of recommendations made by the Board of the Foreign Service, from time to time furnish the President with the names of Foreign Service officers qualified for appointment or assignment as chief of mission, together with pertinent information about such officers, in order to assist the President in selecting qualified candidates for appointment or assignment in such capacity.

### PART B—FOREIGN SERVICE OFFICERS

#### APPOINTMENTS

SEC. 511.<sup>44</sup> The President shall appoint Foreign Service officers by and with the advice and consent of the Senate. All appointments

<sup>38</sup> Sec. 446 which related to exemption of the Foreign Service from the application of the Classification Act was repealed by sec. 1202 of Public Law 429, 81st Cong., 63 Stat. 954.

<sup>39</sup> 22 U. S. C. § 901.

<sup>40</sup> The words "career ambassadors and" were added by sec. 5 of Public Law 250, 84th Cong., 69 Stat. 536.

<sup>41</sup> 22 U. S. C. § 902.

<sup>42</sup> The phrase "class of career ambassador and" immediately following the phrase "qualified for appointment to the" was added by sec. 6 of Public Law 250, 84th Cong., 69 Stat. 536.

<sup>43</sup> The last sentence was added by sec. 6 of Public Law 250, 84th Cong., 69 Stat. 536.

<sup>44</sup> 22 U. S. C. § 906.

of Foreign Service officers shall be by appointment to a class and not to a particular post.

#### COMMISSIONS

SEC. 512.<sup>45</sup> Foreign Service officers may be commissioned as diplomatic or consular officers or both and all official acts of such officers while serving under diplomatic or consular commissions shall be performed under their respective commissions as diplomatic or consular officers.

#### LIMITS OF CONSULAR DISTRICTS

SEC. 513.<sup>46</sup> The Secretary shall define the limits of consular districts.

#### ASSIGNMENTS AND TRANSFERS

SEC. 514.<sup>47</sup> A Foreign Service officer, commissioned as a diplomatic or consular officer, may be assigned by the Secretary to serve in any diplomatic position other than that of chief of mission or in any consular position, and he may also be assigned to serve in any other capacity in which he is eligible to serve under the terms of this or any other Act. He may be transferred from one post to another by order of the Secretary as the interests of the Service may require.

#### CITIZENSHIP REQUIREMENTS

SEC. 515.<sup>48</sup> No person shall be eligible for appointment as a Foreign Service officer unless he is a citizen of the United States and has been such for at least ten years.

#### ADMISSION TO CLASS 8

SEC. 516.<sup>49</sup> No person shall be eligible for appointment as a Foreign Service officer of class 8 unless he has passed such written, oral, physical, and other examinations as the Board of Examiners for the Foreign Service may prescribe to determine his fitness and aptitude for the work of the Service and has demonstrated his loyalty to the Government of the United States and his attachment to the principles of the Constitution. The Secretary shall furnish the President with the names of those persons who have passed such examinations and are eligible for appointment as Foreign Service officers of class 8.<sup>50</sup>

#### ADMISSION TO CLASSES 1 TO 7, INCLUSIVE<sup>51</sup>

SEC. 517.<sup>52</sup> A person who has not served in class 8<sup>53</sup> shall not be eligible for appointment as a Foreign Service officer of classes 1 to 7, inclusive, unless he has passed comprehensive mental and physical

<sup>45</sup> 22 U. S. C. § 907.

<sup>46</sup> 22 U. S. C. § 908.

<sup>47</sup> 22 U. S. C. § 909.

<sup>48</sup> 22 U. S. C. § 910.

<sup>49</sup> 22 U. S. C. § 911.

<sup>50</sup> Sec. 5 of the Foreign Service Act Amendments of 1956 substituted "class 8" for "class 6" wherever it appears in this section.

<sup>51</sup> Sec. 6 of the Foreign Service Act Amendments of 1956 changed the heading of sec. 517. It formerly read: "Admission to Classes 1, 2, 3, 4, and 5 Without Prior Service in Class 6."

<sup>52</sup> 22 U. S. C. § 912.

<sup>53</sup> Sec. 6 of the Foreign Service Act Amendments of 1956 substituted "class 8" for "class 6" wherever it appears in this section, and "classes 1 to 7" for "classes 1 to 5."

examinations prescribed by the Board of Examiners for the Foreign Service to determine his fitness and aptitude for the work of the Service; demonstrated his loyalty to the Government of the United States and his attachment to the principles of the Constitution; and rendered at least four years of actual service prior to appointment in a position of responsibility in the service of a Government agency, or agencies, except that, if he has reached the age of thirty-one years, the requirement as to service may be reduced to three years. After the date of enactment of the Foreign Service Act Amendments of 1955 and until otherwise provided by Act of Congress not more than one thousand two hundred and fifty persons who have not served in class 8 may be appointed to classes 1 to 7, inclusive; of such persons, not more than one hundred and seventy-five<sup>54</sup> may be appointed who were not employed on March 1, 1955, in the Department, including its Foreign Service Reserve and Foreign Service Staff personnel, and who have not also served in a position of responsibility in the Department, or the Service, or both, for the required period prior to appointment<sup>55</sup> as a Foreign Service officer. Notwithstanding the above provisions of this section, the limitation on the maximum number of appointments authorized herein shall not be applicable in the case of any person appointed or assigned by the Secretary of State as a Foreign Service Reserve officer and who thereafter has served in a position of responsibility in such capacity for the required period prior to appointment as a Foreign Service officer.<sup>56</sup> The Secretary shall furnish the President with the names of those persons who shall have passed such examinations and are eligible for appointment as Foreign Service officers of classes 1 to 7, inclusive. The Secretary shall, taking into consideration the age, qualifications, and experience of each candidate for appointment, recommend the class to which he shall be appointed in accordance with the provisions of this section.

ADMISSION TO THE CLASS OF CAREER MINISTER

SEC. 518.<sup>57</sup> No person shall be eligible for appointment to the class of career ambassador or career minister who is not a Foreign Service officer.<sup>58</sup>

REASSIGNMENT TO FOREIGN SERVICE OF FORMER AMBASSADORS AND  
MINISTERS

SEC. 519.<sup>59</sup> If, within three months of the date of termination of his services as chief of mission and of any period of authorized leave, a

<sup>54</sup> Sec. 6 of the Foreign Service Act Amendments of 1955 substituted "one hundred and seventy-five" for "forty."

<sup>55</sup> The first two sentences were substituted by sec. 4 of Public Law 22, 84th Cong., 69 Stat. 24, for the following sentence which was in the original Act:

"A person who has not served in class 6 shall not be eligible for appointment as a Foreign Service officer of classes 1 to 5, inclusive, unless he has passed such written, oral, physical, and other examinations as the Board of Examiners for the Foreign Service may prescribe to determine his fitness and aptitude for the work of the Service; demonstrated his loyalty to the Government of the United States and his attachment to the principles of the Constitution; and rendered at least four years of actual service immediately prior to appointment in a position of responsibility in the Service or in the Department or both, except that, if he has reached the age of thirty-one years, the requirement as to service may be reduced to three years."

<sup>56</sup> The words "as a Foreign Service officer" at the end of the second sentence, and the third sentence were added by sec. 6 of the Foreign Service Act Amendments of 1955.

<sup>57</sup> 22 U. S. C. § 913.

<sup>58</sup> The phrase "career ambassador or" preceding "career minister" was added by sec. 7 of Public Law 250, 84th Cong., 69 Stat. 536.

<sup>59</sup> 22 U. S. C. § 914.

Foreign Service officer has not again been appointed or assigned as chief of mission or assigned in accordance with the provisions of section 514, he shall be retired from the Service and receive retirement benefits in accordance with the provisions of section 821.

**REINSTATEMENT AND RECALL OF FOREIGN SERVICE OFFICERS**

SEC. 520.<sup>60</sup> (a) The President may, by and with the advice and consent of the Senate, reappoint to the Service a former Foreign Service officer who has been separated from the Service by reason of appointment to some other position in the Government service and who has served continuously in the Government up to the time of reinstatement. The Secretary shall, taking into consideration the qualifications and experience of each candidate for reappointment and the rank of his contemporaries in the Service, recommend the class to which he shall be reappointed in accordance with the provisions of this section.

(b) Whenever the Secretary shall determine an emergency to exist, the Secretary may recall any retired Foreign Service officer temporarily to active service.

**PART C—FOREIGN SERVICE RESERVE OFFICERS**

**ESTABLISHMENT OF RESERVE**

SEC. 521.<sup>61</sup> In accordance with the terms of this Act and under such regulations as the Secretary shall prescribe, there shall be organized and maintained a Foreign Service Reserve, referred to hereafter as the Reserve.

**APPOINTMENTS AND ASSIGNMENTS TO THE RESERVE**

SEC. 522.<sup>62</sup> Whenever the services of a person who is a citizen of the United States and who has been such for at least five years are required by the Service, the Secretary may—

(1) appoint as a Reserve officer for nonconsecutive periods of not more than five years each, a person not in the employ of the Government whom the Board of the Foreign Service shall deem to have outstanding qualifications; and

(2) assign as a Reserve officer for nonconsecutive periods of not more than five years each a person regularly employed in any Government agency, subject, in the case of an employee of a Government agency other than the Department of State, to the consent of the head of the agency concerned.<sup>63</sup>

**APPOINTMENT OF ASSIGNMENT TO A CLASS**

SEC. 523.<sup>64</sup> A Reserve officer, appointed or assigned to active duty, shall be appointed or assigned to a class and not to a particular post,

<sup>60</sup> 22 U. S. C. § 915.

<sup>61</sup> 22 U. S. C. § 921.

<sup>62</sup> 22 U. S. C. § 922.

<sup>63</sup> The word "five" was substituted for the word "four" in subsecs. (1) and (2), and the phrase "of a specialized character" in subsec. (1) which appeared following the words "outstanding qualifications" was deleted by sec. 5 of Public Law 22, 84th Cong., 69 Stat. 24.

<sup>64</sup> 22 U. S. C. § 923.

and such an officer may be assigned to posts and may be transferred from one post to another by order of the Secretary as the interests of the Service may require. The class to which he shall be appointed or assigned shall depend on his age, qualifications, and experience.

#### COMMISSIONS

SEC. 524.<sup>65</sup> Whenever the Secretary shall deem it in the interests of the Service that a Reserve officer shall serve in a diplomatic or consular capacity, he may recommend to the President that such officer be commissioned as a diplomatic or consular officer or both. The President may, by and with the advice and consent of the Senate, commission such officer as a diplomatic or consular officer or both, and all official acts of such an officer while serving under a diplomatic or consular commission shall be performed under his commission as a diplomatic or consular officer. In all other cases, appropriate rank and status, analogous to that of Foreign Service officers engaged in work of comparable importance shall be provided to permit Reserve officers to carry out their duties effectively.

#### ACTIVE DUTY

SEC. 525.<sup>66</sup> The Secretary shall by regulation define the period during which a Reserve officer shall be considered as being on active duty.

#### BENEFITS

SEC. 526.<sup>67</sup> A Reserve officer shall, except as otherwise provided in regulations which the Secretary may prescribe, receive all the allowances, privileges, and benefits which Foreign Service officers are entitled to receive in accordance with the provisions of title IX.

#### REAPPOINTMENT OR REASSIGNMENT OF RESERVE OFFICERS

SEC. 527.<sup>68</sup> A person who has served as a Reserve officer may not be reappointed or reassigned to active duty until the expiration of a period of time equal to his preceding tour of duty or until the expiration of a year, whichever is the shorter.

#### REINSTATEMENT OF RESERVE OFFICERS

SEC. 528.<sup>69</sup> Upon the termination of the assignment of a Reserve officer assigned from any Government agency, such person shall be entitled to reinstatement in the Government agency by which he is regularly employed in the same position he occupied at the time of assignment, or in a corresponding or higher position. Upon reinstatement he shall receive the within-grade salary advancements he would have been entitled to receive had he remained in the position in which he is regularly employed under subsection (d), section 7, of the Classification Act of 1923, as amended, or any corresponding

<sup>65</sup> 22 U. S. C. § 924.

<sup>66</sup> 22 U. S. C. § 925.

<sup>67</sup> 22 U. S. C. § 926.

<sup>68</sup> 22 U. S. C. § 927.

<sup>69</sup> 22 U. S. C. § 928.

provision of law applicable to the position in which he is serving. A certificate of the Secretary that such person has met the standards required for the efficient conduct of the work of the Foreign Service shall satisfy any requirements as to the holding of minimum ratings as a prerequisite to the receipt of such salary advancements.

**PART D—FOREIGN SERVICE STAFF OFFICERS AND EMPLOYEES**

**APPOINTMENTS**

SEC. 531.<sup>70</sup> The Secretary shall appoint staff officers and employees under such regulations as he may prescribe and, as soon as practicable, in accordance with the provisions of section 441, 442, and 443.

**ASSIGNMENTS AND TRANSFERS**

SEC. 532.<sup>71</sup> The Secretary may, in accordance with uniform procedures established in such regulations as he may prescribe, assign a staff officer or employee to a position at any post and transfer such a person from a position in one class to a vacant position within the same class, and from one post to another. Upon demonstration of ability to assume duties of greater responsibility, such person may, as provided in section 641, be promoted to a vacant position in a higher class at the same or at a higher rate of salary and he may be transferred from one post to another in connection with such promotion.

**COMMISSION AS CONSUL OR VICE CONSUL**

SEC. 533.<sup>72</sup> On the recommendation of the Secretary, the President may, by and with the advice and consent of the Senate, commission a staff officer or employee as consul. The Secretary may commission a staff officer or employee as vice consul. Official acts of staff officers or employees while serving under consular commissions in the Service shall be performed under their respective commissions as consular officers.

**CITIZENSHIP REQUIREMENT**

SEC. 534.<sup>73</sup> No person shall be eligible for appointment as staff officer or employee who is not a citizen of the United States at the time of his appointment.

**PART E—ALIEN CLERKS AND EMPLOYEES**

**APPOINTMENTS**

SEC. 541.<sup>74</sup> The Secretary shall appoint alien clerks and employees at posts abroad under such regulations as he may prescribe and, as soon as practicable, in accordance with the provisions of section 444.

<sup>70</sup> 22 U. S. C. § 936.

<sup>71</sup> 22 U. S. C. § 937.

<sup>72</sup> 22 U. S. C. § 938.

<sup>73</sup> 22 U. S. C. § 939.

<sup>74</sup> 22 U. S. C. § 946.

ASSIGNMENTS AND TRANSFERS

SEC. 542.<sup>75</sup> The Secretary may assign an alien clerk or employee to a position at any post, and any such clerk or employee may be transferred from a position at one post to a position at another as the interests of the Service may require.

PART F—CONSULAR AGENTS

SEC. 551.<sup>76</sup> The Secretary may appoint consular agents under such regulations as he may prescribe and, as soon as practicable, in accordance with the provisions of section 445.

PART G—ASSIGNMENT OF PERSONNEL BY THE ARMY AND NAVY DEPARTMENTS

AS COURIERS AND INSPECTORS OF BUILDINGS

SEC. 561.<sup>77</sup> The Secretaries of the Army and Navy are authorized, upon the request of the Secretary, to assign or detail military and naval personnel serving under their supervision for duty as inspectors of buildings owned or occupied abroad by the United States or as inspectors or supervisors of buildings under construction or repair abroad by or for the United States, or for duty as couriers of the Department; and, when so assigned or detailed, they may receive the same traveling expenses as are authorized for officers of the Service, payable from applicable appropriations of the Department. Such assignments or details may, in the discretion of the head of the department concerned, be made without reimbursement from the Department of State.<sup>78</sup>

AS CUSTODIANS

SEC. 562.<sup>79</sup> The Secretary of the Navy is authorized, upon request of the Secretary of State, to assign enlisted men of the Navy and the Marine Corps to serve as custodians under the supervision of the principal officer at an embassy, legation, or consulate.

PART H—ASSIGNMENT OF FOREIGN SERVICE PERSONNEL

ASSIGNMENTS TO ANY GOVERNMENT AGENCY

SEC. 571.<sup>80</sup> (a) Any officer or employee of the Service may, in the discretion of the Secretary, be assigned or detailed for duty in any Government agency, such an assignment or combination of assignments to be for a period of not more than four years, except that under

<sup>75</sup> 22 U. S. C. § 947.

<sup>76</sup> 22 U. S. C. § 951.

<sup>77</sup> 22 U. S. C. § 956.  
<sup>78</sup> The words "the Army" were substituted for "War" in accordance with sec. 205 (a) of the Act of July 26, 1947, Public Law 253, 61 Stat. 501, which designated the Department of War as the Department of the Army and the title Secretary of War was changed to Secretary of the Army.

<sup>79</sup> 22 U. S. C. § 957.

<sup>80</sup> 22 U. S. C. § 961.

special circumstances the Secretary may extend this four-year period for not more than four additional years.<sup>81</sup>

(b) A Foreign Service officer may be appointed as Director General<sup>82</sup> notwithstanding the provisions of the last sentence of paragraph (a) of this section, but any such officer may not serve longer than four years in such position or positions and upon the completion of such service may not again be assigned to a position in the Department until the expiration of a period of time equal to his tour of duty as Director General<sup>82</sup> or until the expiration of two years, whichever is shorter.

(c) If a Foreign Service officer shall be appointed by the President, by and with the advice and consent of the Senate, to a position,<sup>83</sup> the period of his service in such capacity shall be construed as constituting an assignment for duty<sup>83</sup> within the meaning of paragraph (a) of this section and such person shall not, by virtue of the acceptance of such an assignment, lose his status as a Foreign Service officer. Service in such a position shall not, however, be subject to the limitations concerning the duration of an assignment or concerning reassignment contained in that paragraph. Any Foreign Service officer who resigned from the Service, or retired in accordance with section 636 of this Act on or after November 14, 1957, but prior to the enactment of this sentence, for the purpose of accepting an immediate appointment to such a position, shall be considered as having been assigned to such other position under authority of this section as amended. Appropriate adjustment at the election of the officer may be made with respect to special contributions deposited immediately prior to resignation or retirement by any such officer under title VIII of this Act on salaries in excess of \$13,500.<sup>83</sup>

(d) If the basic minimum salary of the position to which an officer or employee of the Service is assigned pursuant to the terms of this section is higher than the salary such officer or employee is entitled to receive as an officer or employee of the Service, such officer or employee shall, during the period such difference in salary exists, receive the salary of the position in which he is serving in lieu of his salary as an officer or employee of the Service. Any salary paid under the provisions of this section shall be paid from appropriations made available for the payment of salaries of officers and employees of the Service and shall be the salary on the basis of which computations and payments shall be made in accordance with the provisions of title VIII.

(e) The salary of an officer or employee assigned pursuant to the terms of this section shall be paid from appropriations made available for the payment of salaries of officers and employees of the Service. Such appropriations may be reimbursed, however, when the Secretary enters into reimbursement agreements with heads of Government

<sup>81</sup>This subsection was revised by sec. 6 (a) of Public Law 22, 84th Cong., 69 Stat. 24. It formerly read as follows:  
"Any officer or employee of the Service may, in the discretion of the Director General, be assigned or detailed for duty in any Government agency, such an assignment or combination of assignments to be for a period of not more than four years. He may not again be assigned for duty in a Government agency until the expiration of a period of time equal to his preceding tour of duty on such assignment or until the expiration of two years, whichever is the shorter."

<sup>82</sup>The words "or Deputy Director General" following the words "Director General" were deleted in accordance with sec. 5 of Public Law 73, 81st Cong., 63 Stat. 111.

<sup>83</sup>Sec. 502 (h) of the MSAAct of 1958 deleted the words "in the Department" appearing after the words "position" and "duty", and added the last two sentences.

agencies for all or any part of the salaries of officers or employees assigned to such agencies and payment is received pursuant thereto, or when an officer or employee of the Service is assigned to a position the salary of which is payable from other funds available to the Department.<sup>84</sup>

COMPULSORY SERVICE OF FOREIGN SERVICE OFFICERS IN THE CONTINENTAL UNITED STATES

SEC. 572.<sup>85</sup> Every Foreign Service officer shall, during his first fifteen years of service in such capacity, be assigned for duty in the continental United States in accordance with the provisions of section 571 for periods totaling not less than three years.

ASSIGNMENT FOR CONSULTATION OR INSTRUCTION

SEC. 573.<sup>86</sup> (a) Any officer or employee of the Service may, in the discretion of the Secretary, be assigned or detailed to any Government agency for consultation or specific instruction either at the commencement, during the course of, or at the close of the period of his official service; and any such detail or assignment, if not more than four months in duration, shall not be considered as an assignment within the meaning of section 571.

(b) Any officer or employee of the Service may be assigned or detailed for special instruction or training at or with public or private nonprofit institutions; trade, labor, agricultural, or scientific associations; or commercial firms.

ASSIGNMENTS TO TRADE, LABOR, AGRICULTURAL, SCIENTIFIC, OR OTHER CONFERENCES

SEC. 574.<sup>87</sup> An officer or employee of the Service may, in the discretion of the Secretary, be assigned or detailed for duty with domestic or international trade, labor, agricultural, scientific, or other conferences, congresses, or gatherings, including those whose place of meeting is in the continental United States; or for other special duties, including temporary details under commission not at his post or in the Department.

ASSIGNMENTS TO FOREIGN GOVERNMENT

SEC. 575.<sup>88</sup> The Secretary may, in his discretion, assign or detail an officer or employee of the Service for temporary service to or in co-operation with the government of another country in accordance with the provisions of the Act of May 25, 1938, as amended (52 Stat. 442; 53 Stat. 652; 5 U. S. C. 118e).

ASSIGNMENTS TO INTERNATIONAL ORGANIZATIONS

SEC. 576.<sup>89</sup> The Secretary may, in his discretion, assign or detail an officer or employee of the Service for temporary service to or in

<sup>84</sup> This subsection was added by sec. 6 (b) of Public Law 22, 84th Cong., 69 Stat. 24.

<sup>85</sup> 22 U. S. C. § 962.

<sup>86</sup> 22 U. S. C. § 963.

<sup>87</sup> 22 U. S. C. § 964.

<sup>88</sup> 22 U. S. C. § 965.

<sup>89</sup> 22 U. S. C. § 966.

cooperation with an international organization in which the United States participates under the same conditions as those governing the assignment or detail of officers or employees of the Service to the government of another country in accordance with the provisions of the Act of May 25, 1938, as amended (52 Stat. 442; 53 Stat. 652; 5 U. S. C. 118e).

**ASSIGNMENT OR DETAIL TO THE UNITED STATES NOT TO AFFECT  
PERSONNEL CEILINGS**

**SEC. 577.<sup>90</sup>** An officer or employee of the Service assigned or detailed to the continental United States in accordance with the provisions of this Act shall not be counted as a civilian employee within the meaning of section 607 of the Federal Employees' Pay Act of 1945, as amended by section 14 of the Federal Employees' Pay Act of 1946.

**TITLE VI—PERSONNEL ADMINISTRATION**

**PART A—DEFINITION**

**SEC. 601.<sup>91</sup>** For the purposes of this title—

(1) "Efficiency record" is the term which describes those materials considered by the Director General to be pertinent to the preparation of an evaluation of the performance of an officer or employee of the Service.

(2) "Efficiency report" is the term which designates the analysis of the performance of an officer or employee made by his supervising officer or by a Foreign Service inspector in accordance with such regulations as may be prescribed by the Secretary.

**PART B—EFFICIENCY RECORDS**

**RESPONSIBILITY OF THE DIRECTOR GENERAL FOR THE KEEPING OF  
EFFICIENCY RECORDS**

**SEC. 611.<sup>92</sup>** The Director General, acting under the general direction of the Board of the Foreign Service, shall be responsible for the keeping of accurate and impartial efficiency records. Under his direction there shall be assembled, recorded, and preserved all available information in regard to the character, ability, conduct, quality of work, industry, experience, dependability, and general usefulness of all officers and employees of the Service, including the reports of Foreign Service inspectors and the efficiency reports of supervising officers. The Director General shall undertake such statistical and other analyses as may be necessary to develop the validity and reliability of efficiency reporting forms and procedures.

**TO WHOM RECORDS SHALL BE AVAILABLE**

**SEC. 612.<sup>93</sup>** The correspondence and records of the Department relating to the officers and employees of the Service, including efficiency records as defined in section 601 (1) but not including records

<sup>90</sup> 22 U. S. C. § 967.  
<sup>91</sup> 22 U. S. C. § 981.  
<sup>92</sup> 22 U. S. C. § 986.  
<sup>93</sup> 22 U. S. C. § 987.

pertaining to the receipt, disbursement, and accounting for public funds, shall be confidential and subject to inspection only by the President, the Secretary, the Under Secretary, the Counselor of the Department, the legislative and appropriations committees of the Congress charged with considering legislation and appropriations for the Service or representatives duly authorized by such committees, the members of the Board of the Foreign Service, the Director General, and such officers and employees of the Government as may be assigned by the Secretary to work on such records. Under such regulations as the Secretary may prescribe and in the interest of efficient personnel administration, the whole or any portion of an efficiency record shall, upon written request, be divulged to the officer or employee to whom such record relates.

**PART C—PROMOTION OF FOREIGN SERVICE OFFICERS AND FOREIGN SERVICE RESERVE OFFICERS**

**PROMOTION OF FOREIGN SERVICE OFFICERS BY SELECTION**

SEC. 621.<sup>94</sup> All promotions of Foreign Service officers shall be made by the President, in accordance with such regulations as he may prescribe, by appointment to a higher class, by and with the advice and consent of the Senate. Promotion shall be by selection on the basis of merit.

**ELIGIBILITY**

SEC. 622.<sup>95</sup> The Secretary shall, by regulation, determine the minimum period Foreign Service officers must serve in each class and a standard for performance for each class which they must meet in order to become eligible for promotion to a higher class. In the event the Director General shall certify to the Board of the Foreign Service that a Foreign Service officer has rendered extraordinarily meritorious service, the Board of the Foreign Service may recommend to the Secretary that such officer shall not be required to serve such minimum period in class as a prerequisite to promotion, and the Secretary may exempt such officer from such requirement.

**RECOMMENDATIONS FOR PROMOTION**

SEC. 623.<sup>96</sup> The Secretary is authorized to establish, with the advice of the Board of the Foreign Service, selection boards to evaluate the performance of Foreign Service officers, and upon the basis of their findings the Secretary shall make recommendations to the President for the promotion of Foreign Service officers. No person assigned to serve on any such board shall serve in such capacity for any two consecutive years.

**PROMOTION OF FOREIGN SERVICE RESERVE OFFICERS**

SEC. 624.<sup>97</sup> Any Reserve officer may receive promotions from one class to a next higher class in accordance with regulations prescribed by the Secretary.

<sup>94</sup> 22 U. S. C. § 991.

<sup>95</sup> 22 U. S. C. § 992.

<sup>96</sup> 22 U. S. C. § 993.

<sup>97</sup> 22 U. S. C. § 994.

IN-CLASS PROMOTIONS OF FOREIGN SERVICE OFFICERS AND RESERVE OFFICERS

SEC. 625.<sup>98</sup> Any Foreign Service officer or any Reserve officer, whose services meet the standards required for the efficient conduct of the work of the Foreign Service and who shall have been in a given class for a continuous period of nine months or more, shall, on the first day of each fiscal year, receive an increase in salary to the next higher rate for the class in which he is serving. The Secretary is authorized to grant to a Foreign Service officer or a Reserve officer, in any class, additional increases in salary within the salary range established for the class in which he is serving, based upon especially meritorious service.

PART D—SEPARATION OF FOREIGN SERVICE OFFICERS FROM THE SERVICE

FOREIGN SERVICE OFFICERS WHO ARE CAREER MINISTERS

SEC. 631.<sup>99</sup> Any Foreign Service officer who is a career ambassador or<sup>100</sup> a career minister, other than one occupying a position as chief of mission, shall, upon reaching the age of sixty-five, be retired from the Service and receive retirement benefits in accordance with the provisions of section 821, but whenever the Secretary shall determine an emergency to exist, he may, in the public interest, extend such an officer's service for a period not to exceed five years.

FOREIGN SERVICE OFFICERS WHO ARE NOT CAREER MINISTERS

SEC. 632.<sup>101</sup> Any Foreign Service officer who is not a career ambassador or<sup>102</sup> a career minister shall, upon reaching the age of sixty, be retired from the Service and receive retirement benefits in accordance with the provisions of section 821 but when the Secretary shall determine an emergency to exist, he may, in the public interest, extend such an officer's service for a period not to exceed five years.

SELECTION-OUT

SEC. 633.<sup>103</sup> (a) The Secretary shall prescribe regulations concerning—

(1) the maximum period during which any Foreign Service officer below the class of career minister shall be permitted to remain in class without promotion; and

(2) the standard of performance which any such officer must maintain to remain in the Service.

(b) Any Foreign Service officer below the class of career minister who does not receive a promotion to a higher class within the specified period or who fails to meet the standard of performance required of officers of his class shall be retired from the Service and receive benefits in accordance with the provisions of section 634.<sup>104</sup>

<sup>98</sup> 22 U. S. C. § 995.

<sup>99</sup> 22 U. S. C. § 1001.

<sup>100</sup> The phrase "a career ambassador or" was added by sec. 8 of Public Law 250, 84th Cong., 69 Stat. 537, to sec. 631 and by sec. 9 to sec. 632.

<sup>101</sup> 22 U. S. C. § 1002.

<sup>102</sup> See footnote 100.

<sup>103</sup> 22 U. S. C. § 1003.

<sup>104</sup> This section was revised by sec. 7 of Public Law 22, 84th Cong., 69 Stat. 24. It formerly read as follows:

"The Secretary shall prescribe the maximum period during which Foreign Service officers in classes 2 or 3 shall be permitted to remain in such classes without promotion. Any officer who does not receive a promotion to a higher class within that period shall be retired from the Service and receive retirement benefits in accordance with the provisions of section 821."

SELECTION-OUT BENEFITS

SEC. 634.<sup>105</sup> (a) Any Foreign Service officer in classes 1, 2, or 3 who is retired from the Service in accordance with the provisions of section 633 shall receive retirement benefits in accordance with the provisions of section 821.

(b) Any Foreign Service officer in classes 4, 5, 6, or 7<sup>106</sup> who is retired from the Service in accordance with the provisions of section 633 shall receive—

(1) one-twelfth of a year's salary at his then current salary rate for each year of service and proportionately for a fraction of a year, but not exceeding a total of one year's salary at his then current salary rate, payable without interest, in three equal installments on the 1st day of January following the officer's retirement and on the two anniversaries of this date immediately following; and

(2) a refund of the contributions made to the Foreign Service Retirement and Disability Fund, with interest thereon at 4 per centum, compounded annually, except that in lieu of such refund such officer may elect to receive retirement benefits on reaching the age of sixty-two, in accordance with the provisions of section 821. In the event that an officer who was separated from classes 4 or 5<sup>106</sup> and who has elected to receive retirement benefits dies before reaching the age of sixty-two, his death shall be considered a death in service within the meaning of section 832. In the event that an officer who was separated from classes 6 and 7<sup>106</sup> and who has elected to receive retirement benefits dies before reaching the age of sixty-two, the total amount of his contributions made to the Foreign Service Retirement and Disability Fund, with interest thereon at 4 percentum, compounded annually, shall be paid in accordance with the provisions of section 841.

(c) Notwithstanding the provisions of section 3477 of the Revised Statutes, as amended (31 U. S. C. 203) or the provisions of any other law, a Foreign Service officer who is retired in accordance with the provisions of section 633 shall have the right to assign to any person or corporation the whole or any part of the benefits receivable by him pursuant to paragraph (b) (1) of this section. Any such assignment shall be on a form approved by the Secretary of the Treasury and a copy thereof shall be deposited with the Secretary of the Treasury by the officer executing the assignment.<sup>107</sup>

<sup>105</sup> 22 U. S. C. § 1004.

<sup>106</sup> "4, 5, 6, or 7" in (b) formerly read "4 or 5"; "classes 4 or 5" in (b) (2) formerly read "class 4", and "classes 6 and 7" in (b) (2) formerly read "class 5".

<sup>107</sup> This section was revised by sec. 7 of Public Law 22, 84th Cong., 69 Stat. 24. It formerly read as follows:

"(a) The Secretary shall prescribe the maximum period during which Foreign Service officers in classes 4 or 5 shall be permitted to remain in such classes without promotion. Any officer who does not receive a promotion to a higher class within that period shall be retired from the Service and receive benefits as follows:

"(1) One-twelfth of a year's salary at his then current salary rate for each year of service and proportionately for a fraction of a year, payable without interest, in three equal installments on the 1st day of January following the officer's retirement and on the two anniversaries of this date immediately following; and

"(2) A refund of the contributions made to the Foreign Service Retirement and Disability Fund, with interest thereon at 4 per centum compounded annually, except that in lieu of such refund such officer may elect to receive retirement benefits on reaching the age of sixty-two, in accordance with the provision of section 821. In the event that an officer of sixty-two, who was separated from class 4 and who has elected to receive retirement benefits dies before reaching the age of sixty-two, his death shall be considered a death in service

FOREIGN SERVICE OFFICERS RETIRED FROM CLASS 8<sup>108</sup>

SEC. 635.<sup>109</sup> Any Foreign Service officer in class 8 shall occupy probationary status. The Secretary may terminate his service at any time.

VOLUNTARY RETIREMENT

SEC. 636.<sup>110</sup> Any Foreign Service officer who is at least fifty years of age and has rendered twenty years of service, including service within the meaning of section 853, may on his own application and with the consent of the Secretary be retired from the Service and receive benefits in accordance with the provisions of section 821.

SEPARATION FOR UNSATISFACTORY PERFORMANCE OF DUTY

SEC. 637.<sup>111</sup>(a) The Secretary may, under such regulations as he may prescribe, separate from the Service any Foreign Service officer above class 8<sup>112</sup> on account of the unsatisfactory performance of his duties; but no such officer shall be so separated from the Service until he shall have been granted a hearing by the Board of the Foreign Service and the unsatisfactory performance of his duties shall have been established at such hearing.

(b) Any Foreign Service officer over forty-five years of age, separated from the Service in accordance with the provisions of paragraph (a) of this section, shall be retired upon an annuity computed in accordance with the provisions of section 821 but not in excess of 25 per centum of his per annum salary at the time of his separation.

(c) Any Foreign Service officer under forty-five years of age, separated from the Service in accordance with the provisions of paragraph (a) of this section, shall at the time of separation receive a payment equal to one year's salary or the refund of the contributions made by him to the Foreign Service Retirement and Disability Fund, whichever shall be greater.

(d) Any payments made in accordance with the provisions of this section shall be made out of the Foreign Service Retirement and Disability Fund.

SEPARATION FOR MISCONDUCT OR MALFEASANCE

SEC. 638.<sup>113</sup> The Secretary shall separate from the Service any Foreign Service officer or Reserve officer who shall be guilty of misconduct or malfeasance in office, but no such officer shall be so separated from the Service until he shall have been granted a hearing by the Board of the Foreign Service and his misconduct or malfeasance shall

within the meaning of section 832. In the event that an officer who was separated from class 5 and who has elected to receive retirement benefits dies before reaching the age of sixty-two, the total amount of his contributions made to the Foreign Service Retirement and Disability Fund, with interest thereon at 4 per centum, compounded annually, shall be paid in accordance with the provisions of section 841.

"(b) Notwithstanding the provisions of section 3477 of the Revised Statutes (31 U. S. C. 203) or the provisions of any other law, a Foreign Service officer who is retired in accordance with the provisions of this section shall have the right to assign to any person or corporation the whole or any part of the benefits receivable by him pursuant to paragraph (a) (1) of this section. Any such assignment shall be on a form approved by the Secretary of the Treasury and a copy thereof shall be deposited with the Secretary of the Treasury by the officer executing the assignment."

<sup>108</sup> "Class 8" in heading and section formerly read "class 6."

<sup>109</sup> 22 U. S. C. § 1005.

<sup>110</sup> 22 U. S. C. § 1006.

<sup>111</sup> 22 U. S. C. § 1007.

<sup>112</sup> "Class 8" was formerly "class 6."

<sup>113</sup> 22 U. S. C. § 1008.

have been established at such hearing. Any officer separated from the Service in accordance with the provisions of this section shall not be eligible to receive the benefits provided by title VIII of this Act, but his contributions to the Foreign Service Retirement and Disability Fund shall be returned to him in accordance with the provisions of section 841 (a).

**PART E—PROMOTION OF FOREIGN SERVICE STAFF OFFICERS AND EMPLOYEES**

**CLASS PROMOTION OF STAFF PERSONNEL**

SEC. 641.<sup>114</sup> Any staff officer or employee may, in accordance with uniform procedures established in regulations prescribed by the Secretary, upon demonstration of ability to assume duties of greater responsibility, be promoted to a vacant position in a higher class at the same or at a higher rate of salary.

**IN-CLASS PROMOTIONS OF STAFF OFFICERS AND EMPLOYEES**

SEC. 642.<sup>115</sup> In-class promotion of staff officers and employees shall be granted in accordance with regulations prescribed by the Secretary.

**PART F—SEPARATION OF STAFF OFFICERS AND EMPLOYEES**

**FOR UNSATISFACTORY PERFORMANCE OF DUTY**

SEC. 651.<sup>116</sup> The Secretary may, under such regulations as he may prescribe, separate from the Service any staff officer or employee on account of the unsatisfactory performance of his duties, but no such officer or employee shall be so separated from the Service until he shall have been granted a hearing by the Board of the Foreign Service and the unsatisfactory performance of his duties shall have been established at such hearing.

**FOR MISCONDUCT OR MALFEASANCE**

SEC. 652.<sup>117</sup> The Secretary shall separate from the Service any staff officer or employee who shall be guilty of misconduct or malfeasance in office, but no such officer or employee shall be so separated from the Service until he shall have been granted a hearing by the Board of the Foreign Service and his misconduct or malfeasance shall have been established at such hearing.

**PART G—PROMOTION AND SEPARATION OF ALIEN CLERKS AND EMPLOYEES**

**PROMOTION**

SEC. 661.<sup>118</sup> Alien clerks and employees shall receive promotions from one class to a higher class and in-class promotions in accordance with regulations prescribed by the Secretary.

<sup>114</sup> 22 U. S. C. § 1016.  
<sup>115</sup> 22 U. S. C. § 1017.  
<sup>116</sup> 22 U. S. C. § 1021.  
<sup>117</sup> 22 U. S. C. § 1022.  
<sup>118</sup> 22 U. S. C. § 1026.

FOR UNSATISFACTORY PERFORMANCE OF DUTY

SEC. 662.<sup>119</sup> The Secretary may, under such regulations as he may prescribe, separate from the Service any alien clerk or employee on account of the unsatisfactory performance of his duties.

SEPARATION FOR MISCONDUCT OR MALFEASANCE

SEC. 663.<sup>120</sup> The Secretary shall separate from the Service any alien clerk or employee who shall be found guilty of misconduct or malfeasance.

PART H—SEPARATION OF CONSULAR AGENTS

SEC. 671.<sup>121</sup> The Secretary may, under such regulations as he may prescribe, separate any consular agent from the Service on account of—  
(a) the unsatisfactory performance of his duties; or  
(b) misconduct or malfeasance.

PART I—INSPECTIONS

SEC. 681.<sup>122</sup> The Secretary shall assign or detail Foreign Service officers as Foreign Service inspectors to inspect in a substantially uniform manner and at least once every two years the work of the diplomatic and consular establishments of the United States. Whenever the Secretary has reason to believe that the business of a consulate is not being properly conducted and that it is necessary in the public interest, he may authorize any Foreign Service inspector to suspend the principal officer or any subordinate consular officer and to administer the office in the place of the principal officer for a period not exceeding ninety days. The Secretary may also authorize a Foreign Service inspector to suspend any diplomatic officer except a chief of mission. A Foreign Service inspector shall have the authority to suspend any other officer or employee of the Service.

TITLE VII—THE FOREIGN SERVICE INSTITUTE

ESTABLISHMENT OF THE INSTITUTE

SEC. 701.<sup>123</sup> The Secretary shall, in order to furnish training and instruction to officers and employees of the Service and of the Department and to other officers and employees of the Government for whom training and instruction in the field of foreign relations is necessary, and in order to promote and foster programs of study incidental to such training, establish a Foreign Service Institute, hereinafter called the Institute.

THE DIRECTOR OF THE INSTITUTE—APPOINTMENT, SALARY, AND DUTIES

SEC. 702.<sup>124</sup> The head of the Institute, who shall be known as its Director, shall be appointed by the Secretary. The Director shall,

<sup>119</sup> 22 U. S. C. § 1027.

<sup>120</sup> 22 U. S. C. § 1028.

<sup>121</sup> 22 U. S. C. § 1031.

<sup>122</sup> 22 U. S. C. § 1036.

<sup>123</sup> 22 U. S. C. § 1041.

<sup>124</sup> 22 U. S. C. § 1042.

under the general supervision of the Director General and under such regulations as the Secretary may prescribe, establish the basic procedures to be followed by the Institute; plan and provide for the general nature of the training and instruction to be furnished at the Institute; correlate the training and instruction to be furnished at the Institute with the training activities of the Department and other Government agencies and with courses given at private institutions that are designed or may serve to furnish training and instruction to officers and employees of the Service; encourage and foster such programs outside of the Institute as will be complementary to those of the Institute; and take such other action as may be required for the proper administration of the Institute.

AID TO NONPROFIT INSTITUTIONS

SEC. 703.<sup>125</sup> The Secretary may, within the limits of such appropriations as may be made specifically therefor, make grants or furnish such other gratuitous assistance as he may deem necessary or advisable to nonprofit institutions cooperating with the Institute in any of the programs conducted by the Director by authority of this title.

APPOINTMENT, ASSIGNMENT, AND DETAIL TO THE INSTITUTE

SEC. 704.<sup>126</sup>(a) The Secretary may appoint to the faculty or staff of the Institute on a full- or part-time basis such personnel as he may deem necessary to carry out the provisions of this title in accordance with the provisions of the civil-service laws and regulations and the Classification Act of 1949, as amended, except that, when deemed necessary by the Secretary for the effective administration of this title, personnel may be appointed without regard to such laws and regulations, but any person so appointed shall receive a salary at one of the rates provided by the Classification Act of 1949, as amended. All appointments to the faculty or staff of the Institute shall be made without regard to political affiliations and shall be made solely on the basis of demonstrated interest in, and capacity to promote, the purposes of the Institute.

(b) The Secretary may, under such regulations as he may prescribe and on a full- or part-time basis, assign or detail officers and employees of the Service to serve on the faculty or staff of the Institute or to receive training at the Institute.

(c) The Secretary may, under such regulations as he may prescribe and on a full- or part-time basis, assign or detail any officer or employee of the Department, and, with the consent of the head of the Government agency concerned, any other officer or employee of the Government, to serve on the faculty or staff of the Institute, or to receive training. During the period of his assignment or detail, such officer or employee shall be considered as remaining in the position from which assigned.

(d) It shall be the duty of the Director to make recommendations to the Secretary with regard to the appointment, assignment, or detail

<sup>125</sup> 22 U. S. C. § 1048.

<sup>126</sup> 22 U. S. C. § 1044. Public Law 429, 81st Cong., 63 Stat. 972, substituted "Classification Act of 1949" for "Classification Act of 1928, as amended."

of persons to serve on the faculty or staff of the Institute, and the Secretary shall in each case take such recommendations into consideration in making such appointments, assignments, or details.

**INSTRUCTION AND EDUCATION AT OTHER LOCALITIES THAN THE INSTITUTE**

Sec. 705.<sup>127</sup> The Secretary may, under such regulations as he may prescribe, pay the tuition and other expenses of officers and employees of the Service, assigned or detailed in accordance with the provisions of section 573 (b) for special instruction or training at or with public or private nonprofit institutions, trade, labor, agricultural, or scientific associations, or commercial firms.

**ENDOWMENTS AND GIFTS TO THE INSTITUTE**

Sec. 706.<sup>128</sup> The Secretary may accept, receive, hold, and administer gifts, bequests, or devises of money, securities, or property made for the benefit of, or in connection with, the Foreign Service Institute in accordance with part C of title X.

**ACQUISITION OF REAL PROPERTY FOR THE INSTITUTE**

Sec. 707.<sup>129</sup> The Secretary may, in the name of the United States, acquire such real property as may be necessary for the operation and maintenance of the Institute and, without regard to section 3709 of the Revised Statutes, such other property and equipment as may be necessary for its operation and maintenance.

**TITLE VIII—THE FOREIGN SERVICE RETIREMENT  
AND DISABILITY SYSTEM<sup>130</sup>**

**PART A—ESTABLISHMENT OF SYSTEM**

**RULES AND REGULATIONS**

Sec. 801.<sup>131</sup> (a) The President may prescribe rules and regulations for the maintenance of a Foreign Service Retirement and Disability System, originally established by section 18 of the Act of May 24, 1924 (43 Stat. 144), referred to hereafter as the System.

(b) The Secretary shall administer the System in accordance with such rules and regulations and with the principles established by this Act.

**MAINTENANCE OF FUND**

Sec. 802.<sup>132</sup> The Secretary of the Treasury shall maintain the special fund, known as the Foreign Service Retirement and Disability Fund, referred to hereafter as the Fund, originally constituted by section 18 of the Act of May 24, 1924 (43 Stat. 144).

<sup>127</sup> 22 U. S. C. § 1045.

<sup>128</sup> 22 U. S. C. § 1046.

<sup>129</sup> 22 U. S. C. § 1047.

<sup>130</sup> Public Law 503, 84th Cong., 70 Stat. 125, and Public Law 85-882, 85th Cong., 60 Stat. 1025, provide certain increases in the annuities of annuitants under the Foreign Service Retirement and Disability System.

<sup>131</sup> 22 U. S. C. § 1061.

<sup>132</sup> 22 U. S. C. § 1062.

PARTICIPANTS

SEC. 803.<sup>133</sup> (a) The following persons, hereafter referred to as participants, shall be entitled to the benefits of the System:

- (1) All Foreign Service officers;
  - (2) All other persons making contributions to the Fund on the effective date of this Act;
  - (3) Any chief of mission who is not otherwise entitled to be a participant and who fulfills the conditions of paragraph (b) of this section;
- (b) A person to become a participant in accordance with the provisions of paragraphs (a) (3) of this section must—
  - (1) have served as chief of mission for an aggregate period of twenty years or more, exclusive of extra service credit in accordance with the provisions of section 853; and
  - (2) have paid into the Fund a special contribution equal to 5 per centum of his basic salary for each year of such service with interest thereon to date of payment, compounded annually at 4 per centum.

ANNUITANTS

SEC. 804.<sup>134</sup> Annuitants shall be persons who are receiving annuities from the Fund on the effective date of this Act, persons who shall become entitled to receive annuities in accordance with the provisions of sections 519, 631, 632, 634, 636, 637, 831, 832, and 833, and all widows and beneficiaries of participants who are entitled to receive annuities in accordance with the terms of this title.<sup>135</sup>

PART B—COMPULSORY CONTRIBUTIONS

SEC. 811.<sup>136</sup> Five per centum of the basic salary received by each participant shall be contributed to the Fund, and the Secretary of the Treasury is directed to cause such deductions to be made and the sums transferred on the books of the Treasury Department to the credit of the Fund for the payment of annuities, cash benefits, refunds, and allowances.<sup>137</sup>

PART C—COMPUTATION OF ANNUITIES

SEC. 821.<sup>138</sup> (a) The annuity of a participant shall be equal to 2 per centum of his average basic salary for the highest five consecutive years of service, for which full contributions have been made to the Fund multiplied by the number of years service, not exceeding thirty-five years.<sup>139</sup> However, the highest five years of service for which full contributions have been made to the Fund shall be used in computing the annuity of any Foreign Service officer who serves as chief of mission

<sup>133</sup> 22 U. S. C. § 1063.

<sup>134</sup> 22 U. S. C. § 1064.

<sup>135</sup> The figure "633" appeared following "632" in the original Act but was deleted by sec. 13 of Public Law 22, 84th Cong., 69 Stat. 24.

<sup>136</sup> 22 U. S. C. § 1071.

<sup>137</sup> The above appeared as subsec. "(a)" in the original Act. The subsection designation "“(a)” and subsec. “(b)” were repealed by sec. 10 of Public Law 250, 84th Cong., 69 Stat. 536. Subsec. (b) formerly read as follows: “All basic salaries in excess of \$13,500 per annum shall be treated as \$13,500 for the purposes of this title.”

<sup>138</sup> 22 U. S. C. § 1076. See also Public Law 348, 82nd Cong., 66 Stat. 81, 22 U. S. C.

§§ 1077 and 1078.

<sup>139</sup> Sec. 9 (a) of the Foreign Service Act Amendments of 1956 substituted the word "thirty-five" for "thirty", and added the second sentence in the section.

and whose continuity of service as such is interrupted prior to retirement by appointment or assignment to any other position determined by the Secretary to be of comparable importance. In determining the aggregate period of service upon which the annuity is to be based, the fractional part of a month, if any, shall not be counted.<sup>140</sup>

(b) At the time of his retirement, a participant, if the husband of a wife to whom he has been married for at least three years or who is the mother of issue by such marriage, may elect to receive a reduced annuity for himself and to provide for an annuity payable to his widow, commencing on the date following his death and continuing as long as she may live. The annuity payable to his widow shall in no case exceed 25 per centum of his average basic salary as computed in accordance with subsection (a) of this section, or 66 $\frac{2}{3}$  per centum of his reduced annuity.<sup>141</sup> If the age of the participant is less than the age of the wife or exceeds her age by not more than eight years, the annuity of the participants will be reduced by an amount equal to one-half of the annuity which he elects to have paid to his widow. If the age of the participant exceeds the age of the wife by more than eight years, the annuity of the participant will be reduced by an amount equal to one-half the annuity which he elects to have paid to his widow plus an additional reduction equal to 2 per centum of such widow's annuity for each year, or fraction thereof, that the difference in age exceeds eight. The participant may at his option also elect to have his annuity reduced by an additional 5 per centum of the amount which he elects to have paid to his widow, with a provision that, from and after the death of his wife, if the participant shall survive her, the annuity payable to the participant shall be that amount which would have been payable if no option had been elected.

(c) A participant who is not married at the time of his retirement or who is married to a wife who is not entitled to an annuity in accordance with the provisions of paragraph (b) of this section may elect to receive a reduced annuity for himself and to provide for an additional annuity payable after his death to a beneficiary whose name shall be notified in writing to the Secretary at the time of his retirement and who is acceptable to the Secretary. The annuity payments payable to such beneficiary shall be either equal to the deceased participant's reduced annuity payments or equal to 50 per centum of such reduced annuity payments and upon the death of the surviving beneficiary all payments shall cease and no further annuity payments shall be due or payable. The combined actuarial value of the two annuities on the date of retirement as determined by the Secretary of the Treasury shall be the same as the actuarial value of the annuity provided by paragraph (a) of this section. No such election of a reduced annuity payable to a beneficiary other than a child of the participant shall be valid until the participant shall have satisfactorily passed a physical examination as prescribed by the Secretary. An-

<sup>140</sup> This subsection was revised by sec. 11 of Public Law 250, 84th Cong., 69 Stat. 536. It formerly read as follows:

"The annuity of a participant shall be equal to 2 per centum of his average basic salary, not exceeding \$13,500 per annum, for the five years next preceding the date of his retirement multiplied by the number of years of service, not exceeding thirty years. In determining the aggregate period of service upon which the annuity is to be based, the fractional part of a month, if any, shall not be counted."

<sup>141</sup> The words "as computed in accordance with subsection (a) of this section," were substituted for "for the five years next preceding his retirement," by Public Law 828, 84th Congress, 70 Stat. 704.

nuity payments payable in accordance with the provisions of this section to a beneficiary who is a child of a participant shall cease when the beneficiary reaches the age of twenty-one years.

PART D—BENEFITS ACCRUING TO CERTAIN PARTICIPANTS

RETIREMENT FOR DISABILITY OR INCAPACITY—PHYSICAL EXAMINATION—RECOVERY

SEC. 831.<sup>142</sup> (a) Any participant who, after serving for a total period of not less than five years, becomes totally disabled or incapacitated for useful and efficient service by reason of disease or injury incurred in the line of duty but not due to vicious habits, intemperance, or willful misconduct on his part, shall, upon his own application or upon order of the Secretary, be retired on an annuity computed as prescribed in section 821. If the disabled or incapacitated participant has had less than twenty years of service at the time he is retired, his annuity shall be computed on the assumption that he had had twenty years of service.

(b) In each case such disability shall be determined by the report of a duly qualified physician or surgeon, designated by the Secretary to conduct the examination. Unless the disability is permanent, a like examination shall be made annually until the annuitant has reached the retirement age as defined in sections 631 and 632, and the payment of the annuity shall cease from the date of a medical examination showing recovery. Fees for examinations under this provision, together with reasonable traveling and other expenses incurred in order to submit to examination, shall be paid out of the Fund.

(c) When the annuity is discontinued under this provision before the annuitant has received a sum equal to the total amount of his contributions, with accrued interest, the difference shall be paid to him or his legal representatives in the order of precedence prescribed in section 841.

DEATH IN SERVICE

SEC. 832.<sup>143</sup> In case a participant shall die without having established a valid claim for annuity, the total amount of his contributions with interest thereon at 4 per centum per annum, compounded on June 30 of each year, except as provided in section 881 and as herein-after provided in this section, shall be paid to his legal representatives in the order of precedence given under section 841 upon the establishment of a valid claim therefor. If the deceased participant rendered at least five years of service, and is survived by a widow to whom he was married for at least three years, or who is the mother of issue by such marriage, such widow shall be paid an annuity equal to the annuity which she would have been entitled to receive if her husband had been retired on the date of his death and had elected to receive a reduced joint and survivorship annuity, computed as prescribed in section 821, providing the maximum annuity for his widow, unless prior to the date of his death he shall have elected, in lieu of such widow's annuity, and with the approval of the Secretary, to have his deductions returned with interest as provided in the first sentence

<sup>142</sup> 22 U. S. C. § 1081.

<sup>143</sup> 22 U. S. C. § 1082.

of this section covering participants dying without having established a valid claim for annuity. If the deceased participant had had less than twenty years of service at the time of his death, the annuity payable to his widow shall be computed on the assumption that he had had twenty years of service.

RETIREMENT OF PERSONS WHO ARE PARTICIPANTS UNDER SECTION 803  
(A) (3)

SEC. 833.<sup>144</sup> (a) Any person who is a participant, has at least twenty years of service to his credit, and has reached the age of fifty years, but is not a Foreign Service officer at the time he is retired in accordance with the provisions of law governing retirement in the position that he occupies, shall be entitled to an annuity computed as prescribed in section 821.

(b) Any person who is a participant in accordance with the provisions of section 803 (a) (3) shall be entitled to voluntary retirement to the same extent and subject to the same conditions as a Foreign Service officer.

PART E—DISPOSITION OF CONTRIBUTIONS AND INTEREST IN EXCESS OF BENEFITS RECEIVED

SEC. 841.<sup>145</sup> (a) Whenever a participant becomes separated from the Service without becoming eligible for an annuity or a deferred annuity in accordance with the provisions of this Act, the total amount of contributions from his salary with interest thereon at 4 per centum per annum, compounded annually up to the date of such separation, except as provided in section 881, shall be returned to him.

(b) In the event that the total contributions of a retired participant, other than voluntary contributions made in accordance with the provisions of section 881, with interest compounded annually at 4 per centum added thereto, exceed the total amount returned to such participant or to an annuitant claiming through him, in the form of annuities, accumulated at the same rate of interest up to the date the annuity payments cease under the terms of the annuity, the excess of the accumulated contributions over the accumulated annuity payments shall be paid in the following order of precedence, upon the establishment of a valid claim therefor:

(1) To the beneficiary or beneficiaries designated by the retired participant in writing to the Secretary;

(2) If there be no such beneficiary, to the duly appointed executor or administrator of the estate of the retired participant;

(3) If there be no such beneficiary, or executor or administrator, payment may be made to such person or persons as may appear in the judgment of the Secretary to be legally entitled thereto, and such payment shall be a bar to recovery by any other person.

(c) No payment shall be made pursuant to paragraph (b) (3) of this section until after the expiration of thirty days from the death of the retired participant or his surviving annuitant.

<sup>144</sup> 22 U. S. C. § 1083.

<sup>145</sup> 22 U. S. C. § 1086.

PART F—PERIOD OF SERVICE FOR ANNUITIES

COMPUTATION OF LENGTH OF SERVICE

SEC. 851.<sup>146</sup> For the purposes of this title, the period of service of a participant shall be computed from the effective date of appointment as Foreign Service officer, or, if appointed prior to July 1, 1924, as diplomatic secretary, consul general, consul, vice consul, deputy consul, consular assistant, consular agent, commercial agent, interpreter, or student interpreter, and shall include periods of service at different times as either a diplomatic or consular officer, or while on assignment to the Department, or while on special duty or service in another department or establishment of the Government, or while on any assignment in accordance with the provisions of part II of title V, but all periods of separation from the Service and so much of any leaves of absence as may exceed six months in the aggregate in any calendar year shall be excluded, except sick leaves of absence for illness or injury incurred in the line of duty, with or without pay, and leaves of absences granted participants while performing active military or naval service in the Army, Navy, Marine Corps, or Coast Guard of the United States.

PRIOR SERVICE CREDIT

SEC. 852.<sup>147</sup> (a) A participant may, subject to the provisions of this section, include in his period of service—

- (1) service performed as a civilian officer or employee of the Government prior to becoming a participant; and
- (2) active military or naval service in the Army, Navy, Marine Corps, Air Force, or Coast Guard of the United States.<sup>148</sup>

(b) A person may obtain credit for prior service by making a special contribution to the Fund equal to 5 per centum of his annual salary for each year of service for which credit is sought subsequent to July 1, 1924, with interest thereon to date of payment compounded annually at 4 per centum, except that no special<sup>149</sup> contributions shall be required for periods of active military or naval service in the Army, Navy, Marine Corps, Air Force, or Coast Guard of the United States prior to becoming a participant. Any such participant may, under such conditions as may be determined in each instance by the Secretary, pay such special contributions in installments during the continuance of his service.

(c) A special contribution to the Foreign Service Retirement and Disability Fund made by any participant on or after April 1, 1948, for the purpose of obtaining service credit in accordance with the provisions of section 852 (a) (2) of the Foreign Service Act of 1946 for periods of active military or naval service in the Army, Navy, Marine Corps, Air Force, or Coast Guard of the United States shall

<sup>146</sup> 22 U. S. C. § 1091.

<sup>147</sup> 22 U. S. C. § 1092.

<sup>148</sup> The words "Air Force" in this subsection were added by sec. 8 of Public Law 22, 84th Cong., 69 Stat. 24.

<sup>149</sup> The words commencing with "except that no special" and continuing through the end of the sentence were added by sec. 8 of Public Law 22, 84th Cong., 69 Stat. 24.

be refunded. Such refund shall not include any interest covering the period such special contribution, or any part thereof, was on deposit in the Fund.<sup>150</sup>

**EXTRA SERVICE CREDIT FOR SERVICE AT UNHEALTHFUL POSTS**

SEC. 853.<sup>151</sup> The President may from time to time establish a list of places which by reason of climatic or other extreme conditions are to be classed as unhealthful posts, and each year of duty subsequent to January 1, 1900, at such posts inclusive of regular leaves of absence, of participants thereafter retired, shall be counted as one year and a half, and so on in like proportion in reckoning the length of service for the purpose of retirement, fractional months being considered as full months in computing such service, but no such extra credit<sup>152</sup> for service at such unhealthful posts shall be credited to any participant who shall have been paid a salary differential in accordance with section 443, as amended, for such service performed subsequent to the date of enactment of the Foreign Service Act Amendments of 1955.

**CREDIT FOR SERVICE WHILE ON MILITARY LEAVE**

SEC. 854.<sup>153</sup> Contributions shall not be required covering periods of leave of absence from the Service granted a participant while performing active military or naval service in the Army, Navy, Marine Corps, or Coast Guard of the United States.

**PART G—MONEYS**

**ESTIMATE OF APPROPRIATIONS NEEDED**

SEC. 861.<sup>154</sup> The Secretary of the Treasury shall prepare the estimates of the annual appropriations required to be made to the Fund, and shall make actuarial valuations of such funds at intervals of five years, or oftener if deemed necessary by him. The Secretary of State may expend from money to the credit of the Fund an amount not exceeding \$5,000 per annum for the incidental expenses necessary in administering the provisions of this title, including actuarial advice,

**ANNUAL REPORT TO CONGRESS**

SEC. 862.<sup>155</sup> The Secretary shall submit annually to the President and to the Congress a comparative report showing the condition of

<sup>150</sup> Subsec. (c) was substituted by sec. 8 of Public Law 22, 84th Cong., 69 Stat. 24. This subsection formerly read as follows:  
"Nothing in this Act shall be construed so as to affect in any manner a participant's right to retired pay, pension, or compensation in addition to the annuities herein provided, but no participant may obtain prior service credit toward an annuity under the Foreign Service Retirement and Disability System for any period of service whether in a civilian or military capacity, on the basis of which he is receiving or will in the future be entitled to receive any annuity, pension, or other retirement or disability payment or allowance."

<sup>151</sup> 22 U. S. C. § 1094.  
<sup>152</sup> The words commencing with "but no such extra credit" and continuing through the end of the sentence were added by sec. 9 of Public Law 22, 84th Cong., 69 Stat. 24. The following sentence, which appeared at the end of the subsection, was deleted:

"The President may at any time cancel the designation of any places as unhealthful without affecting any credit which has accrued for service at such posts prior to the date of cancellation."

<sup>153</sup> 22 U. S. C. § 1094.

<sup>154</sup> 22 U. S. C. § 1101.

<sup>155</sup> 22 U. S. C. § 1102.

the Fund and estimates of appropriations necessary to continue this title in full force.

#### INVESTMENT OF MONEYS IN THE FUND

SEC. 863.<sup>156</sup> The Secretary of the Treasury shall invest from time to time in interest-bearing securities of the United States such portions of the Fund as in his judgment may not be immediately required for the payment of annuities, cash benefits, refunds, and allowances, and the income derived from such investments shall constitute a part of such Fund.

#### ATTACHMENT OF MONEYS

SEC. 864.<sup>157</sup> None of the moneys mentioned in this title shall be assignable either in law or equity, or be subject to execution, levy, attachment, garnishment, or other legal process, except as provided in section 634 (c).<sup>158</sup>

#### PART II—OFFICERS REINSTATED IN THE SERVICE

SEC. 871.<sup>159</sup> A Foreign Service officer, reinstated in the Service in accordance with the provisions of section 520 (b) shall, while so serving, be entitled in lieu of his retirement allowance to the full pay of the class in which he is temporarily serving. During such service, he shall make contributions to the Fund in accordance with the provisions of section 811. If the annuity he was receiving prior to his reinstatement in the Service was based on less than thirty-five<sup>160</sup> years of service credit, the amount of his annuity when he reverts to the retired list shall be recomputed on the basis of his total service credit.

#### PART I—VOLUNTARY CONTRIBUTIONS

SEC. 881.<sup>161</sup> (a) Any participant may, at his option and under such regulations as may be prescribed by the President, deposit additional sums in multiples of 1 per centum of his basic salary, but not in excess of 10 per centum of such salary, which amounts together with interest at 3 per centum per annum, compounded on June 30 of each year, shall at the date of his retirement and at his election, be—

(1) returned to him in a lump sum; or

(2) used to purchase an additional life annuity; or

(3) used to purchase an additional life annuity for himself and to provide for a cash payment on his death to a beneficiary whose name shall be notified in writing to the Secretary by the participant; or

(4) used to purchase an additional life annuity for himself and a life annuity commencing on his death payable to a beneficiary whose name shall be notified in writing to the Secretary by the participant with a guaranteed return to the beneficiary or his legal representative of an amount equal to the cash payment referred to in paragraph 3.

<sup>156</sup> 22 U. S. C. § 1103.

<sup>157</sup> 22 U. S. C. § 1104.

<sup>158</sup> "(e)" was substituted for "(b)" by sec. 13 of Public Law 22, 84th Cong., 69 Stat. 24.

<sup>159</sup> 22 U. S. C. § 1111.

<sup>160</sup> Sec. 10 of the Foreign Service Act Amendments of 1956 substituted the word "thirty-five" in place of "thirty".

<sup>161</sup> 22 U. S. C. § 1116.

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(b) The benefits provided by subparagraphs 2, 3, or 4 of paragraph (a) of this section shall be actuarially equivalent in value to the payment provided for by paragraph (a) (1) of this section and shall be calculated upon such tables of mortality as may be from time to time prescribed for this purpose by the Secretary of the Treasury.

(c) In case a participant shall become separated from the Service for any reason except retirement on an annuity, the amount of any additional deposits with interest at 3 per centum per annum, compounded annually, made by him under the provisions of this paragraph shall be refunded in the manner provided in section 841 for the return of contributions and interest in the case of death or withdrawal from active service.

(d) Any benefits payable to an officer or to his beneficiary in respect to the additional deposits provided under this paragraph shall be in addition to the benefits otherwise provided under this title.

## TITLE IX—ALLOWANCES AND BENEFITS

### PART A—ALLOWANCES AND SPECIAL ALLOTMENTS<sup>162</sup>

#### QUARTERS, COST OF LIVING, AND REPRESENTATION ALLOWANCES

SEC. 901.<sup>163</sup> In accordance with such regulations as the President may prescribe and notwithstanding the provisions of section 1765 of the Revised Statutes (5 U. S. C. 70), the Secretary is authorized to grant to any officer or employee of the Service who is a citizen of the United States—

(1) allowances, wherever Government owned or rented quarters are not available, for living quarters, heat, light, fuel, gas, and electricity, including allowances for the cost of lodging at temporary quarters, incurred by an officer or employee of the Service and the members of his family upon first arrival at a new post, for a period not in excess of three months after such first arrival or until the occupation of residence quarters, whichever period shall be shorter, up to but not in excess of the aggregate amount of the per diem that would be allowable to such officer or employee for himself and the members of his family for such period if they were in travel status;<sup>164</sup>

(2) cost-of-living allowances, whenever the Secretary shall determine—

(i) that the cost of living at a post abroad is proportionately so high that an allowance is necessary to enable an officer or employee of the Service at such post to carry on his work efficiently;

(ii) that extraordinary and necessary expenses, not otherwise compensated for, are incurred by an officer or employee of the Service incident to the establishment of his residence at

<sup>162</sup> Sec. 14 of Public Law 885, 84th Cong., 70 Stat. 890, provides as follows: "Appropriations now or hereafter made available for allowances granted under the authority in part A of title IX of the Foreign Service Act of 1946, as amended (22 U. S. C. 1131), including an allowance for water as authorized in section 13 of this Act shall be available for the payment of such allowances in advance."

<sup>163</sup> 22 U. S. C. § 1131.

<sup>164</sup> Sec. 13 of Public Law 885, 84th Cong., 70 Stat. 890, provides as follows: "Allowances granted under section 901 (1) of the Foreign Service Act of 1946 (22 U. S. C. 1131 (1)), may include water, in addition to the utilities specified."

any post of assignment abroad or at a post of assignment in the continental United States between assignments to posts abroad;<sup>165</sup>

(iii) that an allowance is necessary to assist an officer or employee of the Service who is compelled by reason of dangerous, notably unhealthful, or excessive adverse living conditions at his post abroad or for the convenience of the Government to meet the additional expense of maintaining his wife and minor children elsewhere than in the country of his assignment;

(iv) that extraordinary and necessary expenses, not otherwise compensated for, must be incurred by an officer or employee of the Service, by reason of his service abroad, in providing for adequate elementary and secondary education for his dependents; allowances under this subparagraph for any post shall not exceed the cost of obtaining such educational services as are ordinarily provided without charge by the public schools of the United States plus, in those cases where adequate schools are not available at the post, board and room, and periodic transportation between the post and the nearest locality where adequate schools are available; if any such officer or employee employs a less expensive method of providing such education, any allowance paid to him shall be reduced accordingly; no allowance shall be paid under this subparagraph for a dependent for whom a travel allowance has been paid under section 911 (9);<sup>166</sup>

(3) allowances in order to provide for the proper representation of the United States by officers or employees of the Service.

#### ALLOTMENT FOR OFFICIAL RESIDENCE OF CHIEF AMERICAN REPRESENTATIVE

SEC. 902.<sup>167</sup> The Secretary may, under such regulations as he may prescribe, make an allotment of funds to any post to defray the unusual expenses incident to the operation and maintenance of official residences suitable for principal representatives of the United States at that post.<sup>168</sup>

#### ACCOUNTING FOR ALLOWANCES

SEC. 903.<sup>169</sup> All such allowances and allotments shall be accounted for to the Secretary in such manner and under such rules and regulations as the President may prescribe. The Secretary shall report all such expenditures annually to the Congress with the budget estimates of the Department.

<sup>165</sup> The words commencing with "any posts of assignment" and continuing through the end of this subsection were substituted for "his post of assignment" by sec. 10 of Public Law 22, 84th Cong., 69 Stat. 24.

<sup>166</sup> This subsection was added by sec. 10 of Public Law 22, 84th Cong., 69 Stat. 24.

<sup>167</sup> 22 U. S. C. § 1132.

<sup>168</sup> Sec. 902 was revised by sec. 11 of the Foreign Service Act Amendments of 1956. It formerly read: "The Secretary may, under such regulations as he may prescribe, make an allotment of funds to any post to defray the unusual expenses incident to the operation and maintenance of an official residence suitable for the chief representative of the United States at that post."

<sup>169</sup> 22 U. S. C. § 1133.

PART B—TRAVEL AND RELATED EXPENSES

GENERAL PROVISIONS

SEC. 911.<sup>170</sup> The Secretary may, under such regulations as he shall prescribe, pay—

(1) the travel expenses of officers and employees of the Service, including expenses incurred while traveling pursuant to orders issued by the Secretary in accordance with the provisions of section 933 with regard to the granting of home leave;

(2) the travel expenses of the members of the family of an officer or employee of the Service when proceeding to or returning from his post of duty; accompanying him on authorized home leave; or otherwise traveling in accordance with authority granted pursuant to the terms of this or any other Act;

(3) the cost of transporting the furniture and household and personal effects of an officer or employee of the Service to his successive posts of duty and, on the termination of his services, to the place where he will reside;

(4) the cost of storing the furniture and household and personal effects of an officer or employee of the Service who is absent under orders from his usual post of duty, or who is assigned to a post to which, because of emergency conditions, he cannot take or at which he is unable to use, his furniture and household and personal effects;

(5) the cost of storing the furniture and household and personal effects of an officer or employee of the Service on first arrival at a post for a period not in excess of three months after such first arrival at such post or until the establishment of residence quarters, whichever shall be shorter;

(6) the travel expenses of the members of the family and the cost of transporting the personal effects and automobile of an officer or employee of the Service, whenever the travel of such officer or employee is occasioned by changes in the seat of the government whose capital is his post;

(7) the travel expenses and transportation costs incident to the removal of the members of the family of an officer or employee of the Service and his furniture and household and personal effects, including automobiles, from a post at which, because of the prevalence of disturbed conditions, there is imminent danger to life and property, and the return of such persons, furniture, and effects to such post upon the cessation of such conditions; or to such other post as may in the meantime have become the post to which such officer or employee has been assigned;

(8) the cost of preparing and transporting to their former homes in the continental United States or to a place not more distant, the remains of an officer or employee of the Service who is a citizen of the United States and of the members of his family who may die abroad or while in travel status;

(9) the travel expenses incurred by an officer or employee of the Service who is assigned to a foreign post, in transporting dependents to and from United States ports of entry designated by the

<sup>170</sup> 22 U. S. C. § 1136.

Secretary, to obtain an American secondary or college education, not to exceed one trip each way for each dependent for the purpose of obtaining each type of education.<sup>171</sup>

#### LOAN OF HOUSEHOLD EQUIPMENT

SEC. 912.<sup>172</sup> The Secretary may, if he shall find it in the interests of the Government to do so as a means of eliminating transportation costs, provide officers and employees of the Service with household equipment for use on a loan basis in personally owned or leased residences.

#### TRANSPORTATION OF AUTOMOBILES

SEC. 913.<sup>173</sup> The Secretary may, notwithstanding the provisions of any other law, transport for or on behalf of an officer or employee of the Service, a privately owned automobile in any case where he shall determine that water, rail, or air transportation of the automobile is necessary or expedient for any part or of all the distance between points of origin and destination.

#### PART C—COMMISSARY SERVICE

SEC. 921.<sup>174</sup> (a) The Secretary may, under such regulations as he may prescribe, establish and maintain emergency commissary or mess services in such places abroad where, in his judgment, such services are necessary temporarily to insure the effective and efficient performance of the duties and responsibilities of the Service, such services to be available to the officers and employees of all Government agencies located in any such places abroad. Reimbursements incident to the maintenance and operation of commissary or mess service shall be at not less than cost as determined by the Secretary and shall be used as working funds: *Provided*, That an amount equal to the amount expended for such services shall be covered into the Treasury as miscellaneous receipts.

(b)<sup>175</sup> The Secretary, under such regulations as he may prescribe, may authorize and assist in the establishment, maintenance, and operation, by officers and employees of the Service, of non-Government-operated commissary and mess services and recreation facilities at posts abroad, including the furnishing of space, utilities, and properties owned or leased by the United States for use by its diplomatic and consular missions. The provisions of the Foreign Service Buildings Act, 1926, as amended (22 U. S. C. 292-300), may be utilized by the Secretary in providing such assistance. Commissary or mess services and recreation facilities established pursuant to this subsection shall be made available, insofar as practicable, to officers and employees of other Government agencies and their dependents who are stationed

<sup>171</sup> This subsection was added by sec. 11 of Public Law 22, 84th Cong., 69 Stat. 24.

<sup>172</sup> 22 U. S. C. § 1137.

<sup>173</sup> 22 U. S. C. § 1138.

<sup>174</sup> 22 U. S. C. § 1139. Sec. 12 (a) of the Foreign Service Act Amendments of 1956 amended sec. 921 by inserting "(a)" immediately after the section number; by striking out the words "and pursuant to appropriations therefor" in the first sentence; and amending the proviso in the second sentence, which formerly read: "*Provided*, That each year an amount equal to the amount of the appropriation for such service shall be covered into the Treasury as miscellaneous receipts not later than six months after the close of the fiscal year for which any such appropriation is made."

<sup>175</sup> Subsecs. (b), (c), and (d) were added by sec. 12 (b) of the Foreign Service Act Amendments of 1956.

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abroad. Such services or facilities shall not be established in localities where another United States agency operates similar services or facilities unless the Secretary determines that such additional services or facilities are necessary.

(c) <sup>175</sup> Notwithstanding the last paragraph under the heading "Subsistence Department" in the Act of March 3, 1911 (10 U. S. C. 1253), or the provisions of any other law, charges at any post abroad by a commissary or mess service or recreation facility authorized or assisted under this section shall be at the same rate for all civilian personnel of the Government serviced thereby, and all charges for supplies furnished to such a service or facility abroad by any Government agency shall be at the same rate as that charged by the furnishing agency to its civilian commissary or mess services or recreation facilities.

(d) <sup>176</sup> Notwithstanding the provisions of section 5 of the Act of July 16, 1914, as amended (5 U. S. C. 78), the Secretary may authorize any principal officer to approve the use of Government-owned vehicles located at his post for transportation of United States Government employees who are American citizens, and their dependents, to and from recreation facilities when public transportation is unsafe or is not available.

PART D—LEAVES OF ABSENCE <sup>176</sup>

ORDERING RETURN OF PERSONNEL TO UNITED STATES ON LEAVES OF ABSENCE

SEC. 933.<sup>177</sup> (a) The Secretary shall order to the continental United States, its Territories and possessions,<sup>178</sup> on statutory leave of absence every officer and employee of the Service who is a citizen of the United States upon completion of two years' continuous service abroad or as soon as possible thereafter.

(b) While in the continental United States, its Territories and possessions,<sup>178</sup> on leave, the service of any officer or employee shall be available for such work or duties in the Department or elsewhere as the Secretary may prescribe, but the time of such work or duties shall not be counted as leave.

RESERVE OFFICERS ASSIGNED TO THE SERVICE

SEC. 934.<sup>179</sup> (a) A Reserve officer, assigned to the Service from any Government agency shall, notwithstanding the provisions of any other law, be granted annual leave of absence and sick leave of absence in accordance with the provisions of part D of this title during the period of his assignment.

(b) Under such regulations as the President may prescribe, a person assigned to the Service as a Reserve officer from any Government agency may, notwithstanding the provisions of the Act of December 21, 1944 (58 Stat. 845; 5 U. S. C. 61b), transfer to the Service any

<sup>175</sup> Sec. 931 concerning annual leave and section 932 concerning sick leave were repealed by sec. 207 (a) (6) of Public Law 283, 82d Cong., 65 Stat. 682. These matters are now covered by chapter 23 of title 5.

<sup>177</sup> 22 U. S. C. § 1148.

<sup>178</sup> Sec. 11 (e) of the Mutual Security Act of 1954 amended sec. 544 of the Mutual Security Act of 1954, as amended, by adding a subsection (e) which amends sec. 933 by inserting after "continental United States" where it appears in subsecs. (a) and (b) the following, "its Territories and possessions".

<sup>179</sup> 22 U. S. C. § 1149.

annual or sick leave of absence standing to his credit at the time of his assignment to the Service. On his return to the agency by which he is regularly employed, he may transfer the aggregate of his accumulated and current annual and sick leave to that agency but the amount of leave so transferred shall not exceed the maximum which an officer or employee of the agency to which he is returning may have to his credit on the date of his return.

#### TRANSFER OF LEAVE OF ABSENCE

SEC. 935.<sup>180</sup> Under such regulations as the President may prescribe an officer or employee of the Service who resigns from the Service in order to accept an appointment in any Government agency may transfer to such Government agency any annual or sick leave of absence standing to his credit at the time of his resignation from the Service and any officer or employee of any Government agency who resigns from such agency in order to accept an appointment to the Service may transfer to the Service any annual or sick leave of absence standing to his credit at the time of his resignation from the Government agency in which he was employed, but in no event shall the amount of annual or sick leave of absence so transferred exceed the maximum amount of the annual or sick leave of absence which may be accumulated in either the Service or the Government agency to which such person is appointed, as the case may be.

#### APPLICATION OF ANNUAL AND SICK LEAVE ACT OF 1951

SEC. 936.<sup>181</sup> The Annual and Sick Leave Act of 1951, as amended (5 U. S. C. 2061 and the following), shall apply to career ministers and Foreign Service officers, who are not serving as chiefs of mission or who are not serving in a position in the Department which requires appointment by the President, by and with the advice and consent of the Senate, and to Foreign Service Reserve officers who are commissioned as diplomatic or consular officers, or both, in accordance with section 524 of the Foreign Service Act of 1946, as amended, notwithstanding the provisions of section 202 (c) (1) (A) of the Annual and Sick Leave Act of 1951, as amended.

### PART E—MEDICAL SERVICES

#### EXPENSES OF TREATMENT

SEC. 941.<sup>182</sup> (a) In the event an officer or employee of the Service who is a citizen of the United States incurs an illness or injury while such person is located abroad, which requires hospitalization or similar treatment, and which is not the result of vicious habits, intemperance, or misconduct on his part, the Secretary may, in accordance with such regulations as he may prescribe, pay for the cost of treatment of such illness or injury.

<sup>180</sup> 22 U. S. C. § 1150.

<sup>181</sup> Sec. 936 is added by sec. 17 of the Foreign Service Act Amendments of 1956.

<sup>182</sup> 22 U. S. C. § 1156. This section was amended by sec. 13 of the Foreign Service Act Amendments of 1956. It read as follows: "The Secretary may, in the event of illness or injury requiring hospitalization of an officer or employee of the Service who is a citizen of the United States, not the result of vicious habits, intemperance, or misconduct on his part, incurred in the line of duty while such person is assigned abroad, pay for the cost of the treatment of such illness or injury at a suitable hospital or clinic."

(b) In the event a dependent of a United States citizen officer or employee of the Service who is stationed abroad, incurs an illness or injury while such dependent is located abroad, which requires hospitalization or similar treatment, and which is not the result of vicious habits, intemperance, or misconduct on his part, the Secretary may, in accordance with such regulations as he may prescribe, pay for that portion of the cost of treatment of each such illness or injury that exceeds \$35 up to a maximum limitation of one hundred and twenty days of treatment for each such illness or injury, except that such maximum limitation shall not apply whenever the Secretary, on the basis of professional medical advice, shall determine that such illness or injury clearly is caused by the fact that such dependent is or has been located abroad.

(c) After sufficient experience in the operation of the medical protection plan authorized in subsections (a) and (b) of this section has been obtained, as determined by the Secretary, and if he considers that the benefits so authorized can be provided for as well and as cheaply in other ways, the Secretary may, under such regulations, and for such persons, locations, and conditions as he may deem appropriate, and within the limits prescribed in such subsections, contract for medical care pursuant to such arrangements, insurance, medical service, or health plans as he may deem appropriate.

TRANSPORTATION TO APPROVED HOSPITALS

SEC. 942.<sup>183</sup> (a) In the event an officer or employee of the Service who is a citizen of the United States or his dependents incurs an illness or injury requiring hospitalization, not the result of vicious habits, intemperance or misconduct, while stationed abroad in a locality where there does not exist a suitable hospital or clinic, the Secretary may, in accordance with such regulations as he may prescribe, pay the travel expenses of such person by whatever means he shall deem appropriate and without regard to the Standardized Government Travel Regulations and section 10 of the Act of March 3, 1933, as amended (68 Stat. 808, 5 U. S. C. 73b), to the nearest locality where a suitable hospital or clinic exists, and on his recovery pay for the travel expenses of his return from such hospital or clinic. If any such officer, employee or dependent is too ill to travel unattended, the Secretary may also pay the round-trip travel expenses of an attendant or attendants.

(b) The Secretary may establish a first-aid station and provide for the services of a physician, a nurse, or other medical personnel at a post at which, in his opinion, sufficient personnel is employed to warrant such a station.<sup>184</sup>

<sup>183</sup> 22 U. S. C. § 1157. Amended by sec. 14 (a) of the Foreign Service Act Amendments of 1956. It formerly read as follows: "(a) The Secretary may, in the event of illness or injury requiring the hospitalization of an officer or employee of the Service who is a citizen of the United States, not the result of vicious habits, intemperance, or misconduct on his part, incurred while on assignment abroad, in a locality where there does not exist a suitable hospital or clinic, pay the travel expenses of such officer or employee by whatever means he shall deem appropriate and without regard to the Standardized Government Travel Regulations and section 10 of the Act of March 3, 1933 (47 Stat. 1516; 5 U. S. C. 73b), to the nearest locality where a suitable hospital or clinic exists and on his recovery pay for the travel expenses of his return to his post of duty. If the officer or employee is too ill to travel unattended, the Secretary may also pay the travel expenses of an attendant."

<sup>184</sup> See 14 (b) of the Foreign Service Act Amendments of 1956 amended subsec. (b) by inserting the words "a physician," immediately following the phrase "the services of"; and by inserting immediately following the words "a nurse" the words "or other medical personnel".

PHYSICAL EXAMINATIONS AND COSTS OF INOCULATIONS

SEC. 943.<sup>186</sup> The Secretary shall, under such regulations as he may prescribe, provide for physical examinations for applicants for employment and for officers and employees of the Service who are citizens of the United States, and for their dependents, including examinations necessary to establish disability or incapacity in accordance with the provisions of section 831, and shall provide for administering inoculations or vaccinations to such officers and employees and their dependents.<sup>187</sup>

TITLE X—MISCELLANEOUS

PART A—PROHIBITIONS

AGAINST UNIFORMS

SEC. 1001.<sup>188</sup> An officer or employee of the Service holding a position of responsibility in the Service shall not wear any uniform except such as may be authorized by law or such as a military commander may require civilians to wear in a theater of military operations.

AGAINST ACCEPTING PRESENTS

SEC. 1002.<sup>189</sup> An officer or employee of the Service shall not ask or, without the consent of the Congress, receive, for himself or any other person, any present, emolument, pecuniary favor, office, or title from any foreign government. A chief of mission or other principal officer may, however, under such regulations as the President may prescribe, accept gifts made to the United States or to any political subdivision thereof by the government to which he is accredited or from which he holds an *exequatur*.

AGAINST ENGAGING IN BUSINESS ABROAD

SEC. 1003.<sup>190</sup> An officer or employee of the Service shall not, while holding office, transact or be interested in any business or engage for profit in any profession in the country or countries to which he is assigned abroad in his own name or in the name or through the agency of any other person, except as authorized by the Secretary.

AGAINST CORRESPONDENCE ON AFFAIRS OF FOREIGN GOVERNMENTS

SEC. 1004.<sup>190</sup> (a) An officer or employee of the Service shall not correspond in regard to the public affairs of any foreign government except with the proper officers of the United States, except as authorized by the Secretary.

<sup>186</sup> 22 U. S. C. § 1158.

<sup>187</sup> This section, as amended, was amended by sec. 15 of the Foreign Service Act Amendments of 1956. It formerly read as follows: "The Secretary shall, under such regulations as he may prescribe, provide for the periodic physical examination of officers and employees of the Service who are citizens of the United States, and their dependents, including examinations necessary to establish disability or incapacity in accordance with the provisions of section 831, and for the cost of administering inoculations or vaccinations to such officers or employees, and their dependents."

<sup>188</sup> 22 U. S. C. § 803.

<sup>189</sup> 22 U. S. C. §§ 804.

<sup>190</sup> 22 U. S. C. §§ 805.

<sup>190</sup> 22 U. S. C. § 806.

(b) An officer or employee of the Service shall not recommend any person for employment in any position of trust or profit under the government of the country to which he is detailed or assigned, except as authorized by the Secretary.

AGAINST POLITICAL, RACIAL, RELIGIOUS, OR COLOR DISCRIMINATON

SEC. 1005.<sup>191</sup> In carrying out the provisions of this Act, no political test shall be required and none shall be taken into consideration, nor shall there be any discrimination against any person on account of race, creed, or color.

PART B—BONDS

Sec. 1011.<sup>192</sup> Every secretary, consul general, consul, vice consul, Foreign Service officer, and Foreign Service Reserve officer, and, if required, any other officer or employee of the Service or of the Department before he enters upon the duties of his office shall give to the United States a bond in such form and in such penal sum as the Secretary shall prescribe, with such sureties as the Secretary shall approve, conditioned without division of penalty for the true and faithful performance of his duties, including (but not by way of limitation) certifying vouchers for payment, accounting for, paying over, and delivering up of all fees, moneys, goods, effects, books, records, papers, and other property that shall come to his hands or to the hands of any other person to his use as such officer or employee under any law now or hereafter enacted and for the true and faithful performance of all other duties now or hereafter lawfully imposed upon him as such officer or employee, and such bond shall be construed to be conditioned for the true and faithful performance of all official duties of whatever character now or hereafter lawfully imposed upon him, or by him assumed incident to his employment as an officer or employee of the Government. Notwithstanding any other provisions of law, upon approval of any bond given pursuant to this Act, the principal shall not be required to give another separate bond conditioned for the true and faithful performance of only a part of the duties for which the bond given pursuant to this Act is conditioned. The bond of an officer or employee of the Service shall be construed to be conditioned for the true and faithful performance of all acts of such officer incident to his office regardless of whether appointed or commissioned as diplomatic, consular, Foreign Service officer, or other officer of the Service. The bonds herein mentioned shall be deposited with the Secretary of the Treasury. Nothing herein contained shall be deemed to obviate the necessity of furnishing any bond which may be required pursuant to the provisions of the Subsistence Expense Act of 1926, as amended (44 Stat. 688; 47 Stat. 405; 56 Stat. 39; 5 U. S. C. 821-823, 827-833).

PART C—GIFTS

SEC. 1021.<sup>193</sup> (a) The Secretary may accept on behalf of the United States gifts made unconditionally by will or otherwise for the benefit

<sup>191</sup> 22 U. S. C. § 807.  
<sup>192</sup> 22 U. S. C. § 808.  
<sup>193</sup> 22 U. S. C. § 809.

of the Service or for the carrying out of any of its functions. Conditional gifts may be so accepted if recommended by the Director General, and the principal of and income from any such conditional gift shall be held, invested, reinvested, and used in accordance with its conditions, but no gift shall be accepted which is conditioned upon any expenditure not to be met therefrom or from the income thereof unless such expenditure has been approved by Act of Congress.

(b) Any unconditional gift of money accepted pursuant to the authority granted in paragraph (a) of this section, the net proceeds from the liquidation (pursuant to paragraph (c) or paragraph (d) of this section) of any other property so accepted, and the proceeds of insurance on any such gift property not used for its restoration, shall be deposited in the Treasury of the United States and are hereby appropriated and shall be held in trust by the Secretary of the Treasury for the benefits of the Service, and he may invest and reinvest such funds in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. Such gifts and the income from such investments shall be available for expenditure in the operation of the Service and the performance of its functions, subject to the same examination and audit as is provided for appropriations made for the Service by Congress.

(c) The evidences of any unconditional gift of intangible personal property, other than money, accepted pursuant to the authority granted in paragraph (a) of this section, shall be deposited with the Secretary of the Treasury and he, in his discretion, may hold them, or liquidate them except that they shall be liquidated upon the request of the Secretary whenever necessary to meet payments required in the operation of the Service or the performance of its functions. The proceeds and income from any such property held by the Secretary of the Treasury shall be available for expenditure as is provided in paragraph (b) of this section.

(d) The Secretary shall hold any real property or any tangible personal property accepted unconditionally pursuant to the authority granted in paragraph (a) of this section and he shall permit such property to be used for the operation of the Service and the performance of its functions or he may lease or hire such property, and may insure such property, and deposit the income thereof with the Secretary of the Treasury to be available for expenditure as provided in paragraph (b) of this section. The income from any such real property or tangible personal property shall be available for expenditure in the discretion of the Secretary for the maintenance, preservation, or repair and insurance of such property and any proceeds from insurance may be used to restore the property insured. Any such property when not required for the operation of the Service or the performance of its functions may be liquidated by the Secretary, and the proceeds thereof deposited with the Secretary of the Treasury, whenever in his judgment the purposes of the gifts will be served thereby.

(e) For the purpose of Federal income, estate, and gift taxes, any gift, devise, or bequest accepted by the Secretary under authority of this Act shall be deemed to be a gift, devise, or bequest to or for the use of the United States.

PART D—AUTHORIZATION TO RETAIN ATTORNEYS

SEC. 1031.<sup>194</sup> The Secretary may, without regard to sections 189 and 365 of the Revised Statutes (5 U. S. C. 49 and 314), authorize a principal officer to procure legal services whenever such services are required for the protection of the interests of the Government or to enable an officer or employee of the Service to carry on his work efficiently.

PART E—DELEGATION OF AUTHORITY

SEC. 1041. \* \* \*<sup>195</sup>

NOTE.—This section is now covered by sections 3 and 4 of Public Law 73, 81st Congress, 63 Stat. 111, as amended by Public Law 726, 84th Congress, 70 Stat. 555. Section 3 is set out as a Note following section 201 (see page 173). Section 4 provides as follows: "The Secretary of State may promulgate such rules and regulations as may be necessary to carry out the functions now or hereafter vested in the Secretary of State or the Department of State, and he may delegate authority to perform any of such functions, including if he shall so specify the authority successively to redelegate any of such functions, to officers and employees under his direction and supervision."

PART F—EXEMPTION FROM TAXATION

SEC. 1051.<sup>196</sup> Section 116 of the Internal Revenue Code, as amended (53 Stat. 48; 53 Stat. 575; 56 Stat. 842; 58 Stat. 46; 26 U. S. C. 116), relative to exclusions from gross income, is further amended by adding at the end thereof a new subsection to read as follows:

"(k) In the case of an officer or employee of the Foreign Service of the United States, amounts received by such officer or employee as allowances or otherwise under the terms of title IX of the Foreign Service Act of 1946."

PART G—INTERPRETATION OF THE ACT

LITERAL-CONSTRUCTION CLAUSE

SEC. 1061.<sup>197</sup> The provisions of this Act shall be construed liberally in order to effectuate its purpose.

<sup>194</sup> 22 U. S. C. § 810.

<sup>195</sup> See, 1041 of the Foreign Service Act of 1946 was repealed by sec. 5 of Public Law 73, 81st Cong., 63 Stat. 111. It formerly read as follows:

"(a) The Secretary may delegate to officers or employees holding positions of responsibility in the Department or the Service or to such boards as he may continue or establish any of the powers conferred upon him by this Act to the extent that he finds such delegation to be in the interests of the efficient administration of the Service.

"(b) The Director General may delegate to officers or employees holding positions of responsibility in the Department or the Service any of the powers conferred upon him by this Act to the extent that he finds such delegation to be in the interests of the efficient administration of the Service."

<sup>196</sup> This section is now covered by 26 U. S. C. § 912 (b).

<sup>197</sup> 22 U. S. C. § 801 note.

PROVISIONS THAT MAY BE HELD INVALID

SEC. 1062.<sup>198</sup> If any provision of this Act or the application of any such provision to any person or circumstance shall be held invalid, the validity of the remainder of the Act and the applicability of such provision to other persons or circumstances shall not be affected thereby.

HEADINGS OF TITLES, PARTS, AND SECTIONS

SEC. 1063.<sup>199</sup> The headings descriptive of the various titles, parts, and sections of this Act are inserted for convenience only, and, in case of any conflict between any such heading and the substance of the title, part, or section to which it relates, the heading shall be disregarded.

PROVISIONS OF THE ACT OF JULY 3, 1946

SEC. 1064.<sup>200</sup> Nothing in this Act shall be construed to affect the provisions of sections 1, 2, 3, and 4 of the Act of July 3, 1946 (Public Law 488, Seventy-ninth Congress). The "classified grades" within the meaning of that Act shall, from and after the effective date of this Act, be construed to mean classes 1 to 5, inclusive.

PART H—AUTHORIZATION FOR APPROPRIATIONS

SEC. 1071.<sup>201</sup> Appropriations to carry out the purposes of this Act are hereby authorized.

<sup>198</sup> 22 U. S. C. § 801 note.

<sup>199</sup> 22 U. S. C. § 801 note.

<sup>200</sup> 22 U. S. C. § 801 note.

<sup>201</sup> 22 U. S. C. § 801 note.

## 2. Strengthening the Organization of the State Department

Text of Public Law 73, 81st Congress [S. 1704], approved May 26, 1949, as amended by Public Law 250, 84th Congress [S. 2237], approved August 5, 1955, Public Law 85-477, 85th Congress [H. R. 12181], approved June 30, 1958, and Public Law 85-524, 85th Congress [S. 1832], approved July 18, 1958

AN ACT To strengthen and improve the organization and administration of the Department of State, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That there shall be in the Department of State in addition to the Secretary of State an Under Secretary of State, two Deputy Under Secretaries of State, and eleven Assistant Secretaries of State.<sup>1</sup>

SEC. 2. (a)<sup>2</sup> The Secretary of State and the officers referred to in section 1 of this Act, as amended, shall be appointed by the President, by and with the advice and consent of the Senate. The Counselor of the Department of State and the Legal Adviser who are required to be appointed by the President, by and with the advice and consent of the Senate, shall rank equally with and shall receive the same salary as the Assistant Secretaries of State. Any such officer holding office at the time the provisions of this Act, as amended, become effective shall not be required to be reappointed by reason of the enactment of this Act, as amended. Unless otherwise provided for by law, the rate of basic compensation of the Deputy Under Secretaries of State shall be the same as that of Assistant Secretaries of State.<sup>3</sup>

(b) There is hereby established in the Department of State the Office of Under Secretary of State for Economic Affairs, which shall be filled by appointment by the President, by and with the advice and consent of the Senate. The Under Secretary of State for Economic Affairs shall receive compensation at the rate of \$22,000 per year and shall perform such duties as may be prescribed by the Secretary of State. The President may initially fill the position of Under Secretary of State for Economic Affairs by appointing, without further advice and consent of the Senate, the officer who, on the date of the enactment of this subsection, held the position of Deputy Under Secretary of State for Economic Affairs. Any provision of law vesting authority in the "Deputy Under Secretary of State for Economic Affairs" or any other reference with respect thereto, is hereby amended to vest such authority in the Under Secretary of State for Economic Affairs.<sup>4</sup>

<sup>1</sup> Public Law 73, 81st Cong., provided for a Secretary of State, an Under Secretary of State, and ten Assistant Secretaries, two of which might be designated as Deputy Under Secretaries. Public Law 250, 84th Cong., provided for a Secretary of State, an Under Secretary of State, three Deputy Under Secretaries of State, and ten Assistant Secretaries of State. The designated number of Deputy Under Secretaries of State in this paragraph was changed to two by Public Law 85-477, the Mutual Security Act of 1958 (sec. 502 (j) (1), and the number of Assistant Secretaries increased from ten to eleven by Public Law 85-524, 85th Cong.

<sup>2</sup> This paragraph became (a) under an amendment contained in Public Law 85-477, the Mutual Security Act of 1958 (sec. 502 (j) (g)).

<sup>3</sup> This sentence was added by Public Law 250, 84th Cong.

<sup>4</sup> This new subsection was added by Public Law 85-477, the Mutual Security Act of 1958 (sec. 502 (j) (2)).

By Section 104 (b) of Public Law 414, 82d Congress, the Immigration and Nationality Act, a Bureau of Security and Consular Affairs was established to be headed by an administrator, with rank and compensation equal to that of an Assistant Secretary of State. The section referred to is as follows:

"(b) There is hereby established in the Department of State a Bureau of Security and Consular Affairs, to be headed by an administrator (with an appropriate title to be designated by the Secretary of State), with rank and compensation equal to that of an Assistant Secretary of State. The administrator shall be a citizen of the United States, qualified by experience, and shall maintain close liaison with the appropriate committees of Congress in order that they may be advised regarding the administration of this Act by consular officers. He shall be charged with any and all responsibility and authority in the administration of the Bureau and of this Act which are conferred on the Secretary of State as may be delegated to him by the Secretary of State or which may be prescribed by the Secretary of State. He shall also perform such other duties as the Secretary of State may prescribe."

SEC. 3. The Secretary of State, or such person or persons designated by him, notwithstanding the provisions of the Foreign Service Act of 1946 (60 Stat. 999) or any other law, except where authority is inherent in or vested in the President of the United States, shall administer, coordinate, and direct the Foreign Service of the United States and the personnel of the State Department. Any provisions in the Foreign Service Act of 1946, or in any other law, vesting authority in the "Assistant Secretary of State for Administration", the "Assistant Secretary of State in Charge of the Administration of the Department", the "Director General", or any other reference with respect thereto, are hereby amended to vest such authority in the Secretary of State.

SEC. 4. The Secretary of State may promulgate such rules and regulations as may be necessary to carry out the functions now or hereafter vested in the Secretary of State or the Department of State, and he may delegate authority to perform any of such functions, including if he shall so specify the authority successively to redelegate any of such functions,<sup>5</sup> to officers and employees under his direction and supervision.

SEC. 5. The following statutes or parts of statutes are hereby repealed:

Section 200 of the Revised Statutes, as amended and amplified by the Acts authorizing the establishment of additional Assistant Secretaries of State, including section 22 of the Act of May 24, 1924 (ch. 182, and the Act of December 8, 1944, R. S. 200; 43 Stat. 146; 58 Stat. 798; 5 U. S. C. 152, as amended by Public Law 767, Eightieth Congress).

Section 202 of the Foreign Service Act of 1946 (60 Stat. 1000) and any other reference in such Act to the "Deputy Director General".

Section 1041 of the Foreign Service Act of 1946 (60 Stat. 1032).

<sup>5</sup>The phrase "including if he shall so specify the authority successively to redelegate any of such functions," was added by sec. 11 (a) of the Mutual Security Act of 1956.

### 3. Basic Authority for the Department of State

Text of Public Law 885, 84th Congress [S. 2569], 70 Stat. 890, approved  
August 1, 1956

**AN ACT To provide certain basic authority for the Department of State.**

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of State is authorized to establish, maintain, and operate passport and despatch agencies.*

**SEC. 2. The Secretary of State, when funds are appropriated therefor, may—**

- (a) provide for printing and binding outside the continental United States without regard to section 11 of the Act of March 1, 1919 (44 U. S. C. 111);
- (b) pay the cost of transportation to and from a place of storage and the cost of storing the furniture and household and personal effects of an employee of the Foreign Service who is assigned to a post at which he is unable to use his furniture and effects, under such regulations as the Secretary may prescribe;
- (c) employ aliens, by contract, for services abroad;
- (d) provide for official functions and courtesies;
- (e) purchase uniforms; and
- (f) pay tort claims, in the manner authorized in the first paragraph of section 2672, as amended, of title 28 of the United States Code when such claims arise in foreign countries in connection with Department of State operations abroad.

**SEC. 3. The Secretary of State is authorized to—**

- (a) obtain insurance on official motor vehicles operated by the Department of State in foreign countries, and pay the expenses incident thereto;
- (b) rent tie lines and teletype equipment;
- (c) provide ice and drinking water for United States Embassies and Consulates abroad;
- (d) pay excise taxes on negotiable instruments which are negotiated by the Department of State abroad;
- (e) pay the actual expenses of preparing and transporting to their former homes the remains of persons, not United States Government employees, who may die away from their homes while participating in international educational exchange activities under the jurisdiction of the Department of State;
- (f) pay expenses incident to the relief, protection, and burial of American seamen, and alien seamen from United States vessels in foreign countries and in the United States, Territories and possessions;
- (g) pay the expenses incurred in the acknowledgment of the services of officers and crews of foreign vessels and aircraft in

rescuing American seamen, airmen, or citizens from shipwreck or other catastrophe abroad or at sea;

(h) rent or lease, for periods of less than ten years, such offices, buildings, grounds, and living quarters for the use of the Foreign Service abroad as he may deem necessary, and make payments therefor in advance; and

(i) maintain, improve, and repair properties rented or leased pursuant to authority contained in subsection (h) of this section and furnish fuel, water, and utilities for such properties.

SEC. 4. The Secretary of State is authorized to—

(a) make expenditures, from such amounts as may be specifically appropriated therefor, for unforeseen emergencies arising in the diplomatic and consular service and, to the extent authorized in appropriation Acts, funds expended for such purposes may be accounted for in accordance with section 291 of the Revised Statutes (31 U. S. C. 107); and

(b) delegate to subordinate officials the authority vested in him by section 291 of the Revised Statutes pertaining to certification of expenditures.

SEC. 5. The Secretary of State is authorized to—

(a) provide for participation by the United States in international activities which arise from time to time in the conduct of foreign affairs for which provision has not been made by the terms of any treaty, convention, or special Act of Congress: *Provided*, That this subsection shall not be construed as granting authority to accept membership for the United States in any international organization, or to participate in the activities of any international organization for more than one year without approval by the Congress; and

(b) pay the expenses of participation in activities in which the United States participates by authority of subsection (a) of this section, including, but not limited to the following:

(1) Employment of aliens;

(2) Travel expenses without regard to the Standardized Government Travel Regulations and to the rates of per diem allowances in lieu of subsistence expenses under the Travel Expense Act of 1949, as amended (5 U. S. C. 835-842);

(3) Travel expenses of persons serving without compensation in an advisory capacity while away from their homes or regular places of business not in excess of those authorized for regular officers and employees traveling in connection with said international activities; and

(4) Rental of quarters by contract or otherwise.

SEC. 6. The provisions of section 8 of the United Nations Participation Act of 1945, as amended (22 U. S. C. 287e), and regulations thereunder, applicable to expenses incurred pursuant to that Act, may be applicable to the obligation and expenditure of funds in connection with United States participation in the International Civil Aviation Organization.

SEC. 7. The exchange allowances or proceeds derived from the exchange or sale of passenger motor vehicles in possession of the Foreign Service abroad, in accordance with section 201 (c) of the Act of June

30, 1949 (40 U. S. C. 481 (c)), shall be available without fiscal year limitation for replacement of an equal number of such vehicles.

SEC. 8. The Secretary of State may, when authorized in an appropriation or other law, transfer to any department, agency, or independent establishment of the Government, with the consent of the head thereof, any funds appropriated to the Department of State, for direct expenditure by such department, agency, or independent establishment for the purposes for which the funds are appropriated.

SEC. 9. The Secretary of State is authorized to enter into contracts in foreign countries involving expenditures from funds appropriated or otherwise made available to the Department of State, without regard to the provisions of section 3741 of the Revised Statutes (41 U. S. C. 22) : *Provided*, That nothing in this section shall be construed to waive the provisions of section 431 of title 18 of the United States Code.

SEC. 10. Appropriated funds made available to the Department of State for expenses in connection with travel of personnel outside the continental United States, including travel of dependents and transportation of personal effects, household goods, or automobiles of such personnel shall be available for such expenses when any part of such travel or transportation begins in one fiscal year pursuant to travel orders issued in that year, notwithstanding the fact that such travel or transportation may not be completed during that same fiscal year.

SEC. 11. Notwithstanding the provisions of section 16 (a) of the Act of August 2, 1946 (5 U. S. C. 78 (c)), the Secretary of State may authorize any chief of diplomatic mission to approve the use of Government-owned vehicles in any foreign country for transportation of United States Government employees from their residence to the office and return when public transportation facilities are unsafe or are not available.

SEC. 12. The Secretary of State, with the approval of the Bureau of the Budget, shall prescribe the maximum rates of per diem in lieu of subsistence (or of similar allowances therefor) payable while away from their own countries to foreign participants in any exchange of persons program, or in any program of furnishing technical information and assistance, under the jurisdiction of any Government agency, and said rates may be fixed without regard to any provision of law in limitation thereof.

SEC. 13. Allowances granted under section 901 (1) of the Foreign Service Act of 1946 (22 U. S. C. 1131 (1)), may include water, in addition to the utilities specified.

SEC. 14. Appropriations now or hereafter made available for allowances granted under the authority in part A of title IX of the Foreign Service Act of 1946, as amended (22 U. S. C. 1131), including an allowance for water as authorized in section 13 of this Act shall be available for the payment of such allowances in advance.

SEC. 15. Appropriations to carry out the purposes of this Act are hereby authorized. When so provided in an appropriation law, an appropriation made to the Department of State may remain available until expended.

#### **4. Passport Laws and Regulations**

##### **a. Protection of citizens abroad**

**Act of July 27, 1868, R. S. Sec. 2001; 15 Stat. 244, 22 U. S. C. 1732**

Whenever it is made known to the President that any citizen of the United States has been unjustly deprived of his liberty by or under the authority of any foreign government, it shall be the duty of the President forthwith to demand of that government the reasons of such imprisonment; and if it appears to be wrongful and in violation of the rights of American citizenship, the President shall forthwith demand the release of such citizen, and if the release so demanded is unreasonably delayed or refused, the President shall use such means, not amounting to acts of war, as he may think necessary and proper to obtain or effectuate the release; and all the facts and proceedings relative thereto shall as soon as practicable be communicated by the President to Congress.

##### **b. Passport authority**

**(1) Act of July 3, 1926, 44 Stat. 887; 22 U. S. C. 211a**

The Secretary of State may grant and issue passports, and cause passports to be granted, issued, and verified in foreign countries by diplomatic representatives of the United States, and by such consul generals, consuls, or vice consuls when in charge, as the Secretary of State may designate, and by the chief or other executive officer of the insular possessions of the United States, under such rules as the President shall designate and prescribe for and on behalf of the United States, and no other person shall grant, issue, or verify such passports.

**(2) Partial text of Executive Order 7856 of March 31, 1938, sections 124, 125 and 126; 22 C. F. R. 51.75 to 51.77; 3 F. R. 799**

124. The Secretary of State is authorized in his discretion to refuse to issue a passport, to restrict a passport for use only in certain countries, to restrict it against use in certain countries, to withdraw or cancel a passport already issued, and to withdraw a passport for the purpose of restricting its validity or use in certain countries.

125. Should a person to whom a passport has been issued knowingly use or attempt to use it in violation of the conditions or restrictions contained therein or of the provisions of these rules, the protection of the United States may be withdrawn from him while he continues to reside abroad.

126. The Secretary of State is authorized to make regulations on the subject of issuing, renewing, extending, amending, restricting, or withdrawing passports additional to these rules and not inconsistent therewith.

**c. Passport limitations**

**(1) Act of July 14, 1902, 32 Stat. 386; 22 U. S. C. 212**

No passport shall be granted or issued to or verified for any other persons than those owing allegiance, whether citizens or not, to the United States.

**(2) Act of June 15, 1917, 40 Stat. 227; 22 U. S. C. 213**

Before a passport is issued to any person by or under authority of the United States such person shall subscribe to and submit a written application duly verified by his oath before a person authorized and empowered to administer oaths, which said application shall contain a true recital of each and every matter of fact which may be required by law or by any rules authorized by law to be stated as a prerequisite to the issuance of any such passport.

**(3) Act of July 3, 1926, 44 Stat. 887; 22 U. S. C. 217a, as amended by 46 Stat. 839 and 47 Stat. 157**

The validity of a passport or passport visé shall be limited to a period of two years: *Provided*, That a passport may be renewed under regulations prescribed by the Secretary of State for a period, not to exceed two years, upon payment of a fee of \$5 for such renewal, but the final date of expiration shall not be more than four years from the original date of issue: *Provided further*, That the Secretary of State may limit the validity of a passport, passport visé, or the period of renewal of a passport to less than two years: *Provided further*, That the charge for the issue of an original passport shall be \$9.

**(4) Partial text of Internal Security Act of 1950, Act of September 23, 1950, sec. 6; 64 Stat. 993, sec. 6; 50 U. S. C. 785, as amended by the Act of August 14, 1954, sec. 7 (c), 68 Stat. 778**

**DENIAL OF PASSPORTS TO MEMBERS OF COMMUNIST ORGANIZATIONS**

SEC. 6. (a) When a Communist organization as defined in paragraph (5) of section 3 of this title is registered, or there is in effect a final order of the Board requiring such organization to register, it shall be unlawful for any member of such organization, with knowledge or notice that such organization is so registered or that such order has become final—

(1) to make application for a passport, or the renewal of a passport, to be issued or renewed by or under the authority of the United States; or

(2) to use or attempt to use any such passport.

(b) When an organization is registered, or there is in effect a final order of the Board requiring an organization to register, as a Communist-action organization, it shall be unlawful for any officer or employee of the United States to issue a passport to, or renew the passport of, any individual knowing or having reason to believe that such individual is a member of such organization.<sup>1</sup>

<sup>1</sup>50 U. S. C. 794 (c) provides:  
"Any individual who violates any provision of sections 784, 785 or 789 of this title shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment for not more than five years, or by both such fine and imprisonment."

**d. Emergency provisions**

(1) Partial text of the Immigration and Nationality Act of 1952, Act of June 27, 1952, sec. 215, 66 Stat. 190; 8 U. S. C. 1185

**TRAVEL CONTROL OF CITIZENS AND ALIENS DURING WAR OR NATIONAL EMERGENCY**

SEC. 215. (a) When the United States is at war or during the existence of any national emergency proclaimed by the President, or, as to aliens, whenever there exists a state of war between or among two or more states, and the President shall find that the interests of the United States require that restrictions and prohibitions in addition to those provided otherwise than by this section be imposed upon the departure of persons from and their entry into the United States, and shall make public proclamation thereof, it shall, until otherwise ordered by the President or the Congress, be unlawful—

(1) for any alien to depart from or enter or attempt to depart from or enter the United States except under such reasonable rules, regulations, and orders, and subject to such limitations and exceptions as the President may prescribe;

(2) for any person to transport or attempt to transport from or into the United States another person with knowledge or reasonable cause to believe that the departure or entry of such other person is forbidden by this section;

(3) for any person knowingly to make any false statement in an application for permission to depart from or enter the United States with intent to induce or secure the granting of such permission either for himself or for another;

(4) for any person knowingly to furnish or attempt to furnish or assist in furnishing to another a permit or evidence of permission to depart or enter not issued and designed for such other person's use;

(5) for any person knowingly to use or attempt to use any permit or evidence of permission to depart or enter not issued and designed for his use;

(6) for any person to forge, counterfeit, mutilate, or alter, or cause or procure to be forged, counterfeited, mutilated, or altered, any permit or evidence of permission to depart from or enter the United States;

(7) for any person knowingly to use or attempt to use or furnish to another for use any false, forged, counterfeited, mutilated, or altered permit, or evidence of permission, or any permit or evidence of permission which, though originally valid, has become or been made void or invalid.

(b) After such proclamation as is provided for in subsection (a) of this section has been made and published and while such proclamation is in force, it shall, except as otherwise provided by the President, and subject to such limitations and exceptions as the President may authorize and prescribe, be unlawful for any citizen of the United States to depart from or enter, or attempt to depart from or enter, the United States unless he bears a valid passport.

(c) Any person who shall willfully violate any of the provisions of this section, or of any order or proclamation of the President promulgated, or of any permit, rule, or regulation issued thereunder,

shall, upon conviction, be fined not more than \$5,000, or, if a natural person, imprisoned for not more than five years, or both, and the officer, director, or agent of any corporation who knowingly participates in such violation shall be punished by like fine or imprisonment, or both; and any vehicle, vessel, or aircraft together with its appurtenances, equipment, tackle, apparel, and furniture, concerned in any such violation, shall be forfeited to the United States.

(d) The term "United States" as used in this section includes the Canal Zone, and all territory and waters, continental or insular, subject to the jurisdiction of the United States. The term "person" as used in this section shall be deemed to mean any individual, partnership, association, company, or other incorporated body of individuals, or corporation, or body politic.

(e) Nothing in this section shall be construed to entitle an alien to whom a permit to enter the United States has been issued to enter the United States, if upon arrival in the United States, he is found to be inadmissible under any of the provisions of this Act, or any other law, relative to the entry of aliens into the United States.

(f) The revocation of any proclamation, rule, regulation, or order issued in pursuance of this section shall not prevent prosecution for any offense committed, or the imposition of any penalties or forfeitures, liability for which was incurred under this section prior to the revocation of such proclamation, rule, regulation, or order.

(g) Passports, visas, reentry permits, and other documents required for entry under this Act may be considered as permits to enter for the purposes of this section.

(2) Presidential Proclamation 3004, January 17, 1953, 18 F. R. 489

PROCLAMATION 3004

CONTROL OF PERSONS LEAVING OR ENTERING THE UNITED STATES

By the President of the United States of America

Whereas section 215 of the Immigration and Nationality Act, enacted on June 27, 1952 (Public Law 414, 82nd Congress; 66 Stat. 163, 190) authorizes the President to impose restrictions and prohibitions in addition to those otherwise provided by that Act upon the departure of persons from, and their entry into, the United States when the United States is at war or during the existence of any national emergency proclaimed by the President or, as to aliens, whenever there exists a state of war between or among two or more states, and when the President shall find that the interests of the United States so require; and

Whereas the national emergency the existence of which was proclaimed on December 16, 1950, by Proclamation 2914 still exists; and

Whereas because of the exigencies of the international situation and of the national defense then existing Proclamation No. 2523 of November 14, 1941, imposed certain restrictions and prohibitions, in addition to those otherwise provided by law, upon the departure of persons from and their entry into the United States; and

Whereas the exigencies of the international situation and of the national defense still require that certain restrictions and prohibitions,

in addition to those otherwise provided by law, be imposed upon the departure of persons from and their entry into the United States:

Now, therefore, I, Harry S. Truman, President of the United States of America, acting under and by virtue of the authority vested in me by section 215 of the Immigration and Nationality Act and by section 301 of title 3 of the United States Code, do hereby find and publicly proclaim that the interests of the United States require that restrictions and prohibitions, in addition to those otherwise provided by law, be imposed upon the departure of persons from and their entry into, the United States; and I hereby prescribe and make the following rules, regulations, and orders with respect thereto:

(1) The departure and entry of citizens and nationals of the United States from and into the United States, including the Canal Zone, and all territory and waters, continental or insular, subject to the jurisdiction of the United States, shall be subject to the regulations prescribed by the Secretary of State and published as sections 53.1 to 53.9, inclusive, of title 22 of the Code of Federal Regulations. Such regulations are hereby incorporated into and made a part of this proclamation; and the Secretary of State is hereby authorized to revoke, modify, or amend such regulations as he may find the interests of the United States to require.

(2) The departure of aliens from the United States, including the Canal Zone, and all territory and waters, continental or insular, subject to the jurisdiction of the United States, shall be subject to the regulations prescribed by the Secretary of State, with the concurrence of the Attorney General, and published as sections 53.61 to 53.71, inclusive, of title 22 of the Code of Federal Regulations. Such regulations are hereby incorporated into and made a part of this proclamation; and the Secretary of State, with the concurrence of the Attorney General, is hereby authorized to revoke, modify, or amend such regulations as he may find the interests of the United States to require.

(3) The entry of aliens into the Canal Zone and American Samoa shall be subject to the regulations prescribed by the Secretary of State, with the concurrence of the Attorney General, and published as sections 53.21 to 53.41, inclusive, of title 22 of the Code of Federal Regulations. Such regulations are hereby incorporated into and made a part of this proclamation; and the Secretary of State, with the concurrence of the Attorney General, is hereby authorized to revoke, modify, or amend such regulations as he may find the interests of the United States to require.

(4) Proclamation No. 2523 of November 14, 1941, as amended by Proclamation No. 2850 of August 17, 1949, is hereby revoked, but such revocation shall not affect any order, determination, or decision relating to an individual, or to a class of individuals, issued in pursuance of such proclamations prior to the revocation thereof, and shall not prevent prosecution for any offense committed, or the imposition of any penalties or forfeitures, liability for which was incurred under such proclamations prior to the revocation thereof; and the provisions of this proclamation, including the regulations of the Secretary of State incorporated herein and made a part hereof, shall be in addition to, and shall not be held to revoke, supersede, modify, amend, or suspend, any other proclamation, rule, regulation, or order heretofore issued relating to the departure of persons from, or their entry into,

the United States; and compliance with the provisions of this proclamation, including the regulations of the Secretary of State incorporated herein and made a part hereof, shall not be considered as exempting any individual from the duty of complying with the provisions of any other statute, law, proclamation, rule, regulation, or order heretofore enacted or issued and still in effect.

(5) I hereby direct all departments and agencies of the Government to cooperate with the Secretary of State in the execution of his authority under this proclamation and any subsequent proclamation, rule, regulation, or order issued in pursuance hereof; and such departments and agencies shall upon request make available to the Secretary of State for that purpose the services of their respective officials and agents. I enjoin upon all officers of the United States charged with the execution of the laws thereof the utmost diligence in preventing violations of section 215 of the Immigration and Nationality Act and this proclamation, including the regulations of the Secretary of State incorporated herein and made a part hereof, and in bringing to trial and punishment any persons violating any provision of that section or of this proclamation.

To the extent permitted by law, this proclamation shall take effect as of December 24, 1952.

In witness whereof, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

Done at the City of Washington this 17th day of January in the year of our Lord nineteen hundred and fifty-three and of the Independence of the United States of America the one hundred and seventy-seventh.

[SEAL]

HARRY S. TRUMAN.

By the President:

DEAN ACHESON,

*Secretary of State.*

(3) Partial Text of Travel Control Regulations of the Secretary of State; 22 C. F. R. 53.1 to 53.9, 6 F. R. 6069, as amended September 24, 1953; 18 F. R. 5678

SEC. 53.1. *Limitations upon travel.* No citizen of the United States or person who owes allegiance to the United States shall depart from or enter into or attempt to depart from or enter into the continental United States, the Canal Zone, and all territories, continental or insular, subject to the jurisdiction of the United States, unless he bears a valid passport which has been issued by or under authority of the Secretary of State and which, in the case of a person entering or attempting to enter any such territory, has been verified by an American diplomatic or consular officer either in the foreign country from which he started his journey, or in the foreign country in which he was last present if such country is not the one from which he started his journey, or unless he comes within one of the exceptions prescribed in Sections 53.2 and 53.3. No fee shall be collected by a diplomatic or consular officer of the United States for or in connection with such verification.

SEC. 53.2. *Exceptions to regulations in Section 53.1.* No valid passport shall be required of a citizen of the United States or a person who owes allegiance to the United States:

(a) When traveling between the continental United States and the Territory of Hawaii, Puerto Rico, and the Virgin Islands, or between any such places; or

(b) When traveling between the United States and any country or territory in North, Central, or South America or in any island adjacent thereto: *Provided*, That this exception shall not be applicable to any such person when traveling to or arriving from a place outside the United States via any country or territory in North, Central, or South America or in any island adjacent thereto, for which a valid passport is required under Sections 53.1 to 53.9: *And provided also*, That this section shall not be applicable to any seaman except as provided in paragraph (c) of this section; or

(c) When departing from or entering the United States in pursuit of the vocation of seaman: *Provided*, That the person is in possession of a specially validated United States merchant mariner's document issued by the United States Coast Guard; or

(d) When departing from or entering into the United States as an officer or member of the enlisted personnel of the United States Army or the United States Navy on a vessel operated by the United States Army or the United States Navy; or

(e) When traveling as a member of the armed forces of the United States or a civil employee of the War or Navy Departments between the continental United States, the Canal Zone, and all territories, continental or insular subject to the jurisdiction of the United States, and any foreign country or territory for which a valid passport is required under the regulations in this part: *Provided*, That he is in possession of a document of identification issued for such purposes by the War or Navy Departments; or

(f) When specifically authorized by the Secretary of State, through the appropriate official channels, to depart from or enter into the continental United States, the Canal Zone, and all territories, continental or insular, subject to the jurisdiction of the United States.

Sec. 53.3. *Exceptions to Section 53.1 concerning verification of passports.* No verification of passport shall be required of a citizen of the United States, or a person who owes allegiance to the United States:

(a) When returning to the United States from a foreign country where he had gone in pursuance of the provisions of a contract with the Departments of the Army or Navy on a matter vital to war effort if he is in possession of evidence of having been so engaged and has a valid passport; or

(b) When returning to the United States from a foreign country as a member of the flying staff, operating personnel, or crew on board an arriving aircraft which is under lease to or contract with the Government of the United States or on board an American aircraft which is engaged in commercial air-transport service for the carriage of goods, passengers, or mail between the territory of the United States and a foreign country.

Sec. 53.4. *Persons considered as bearing passports.* Every citizen of the United States, or person who owes allegiance to the United States, who is included in a valid passport issued by or under authority of the Secretary of State shall for the purpose of the rules and regulations in this part be considered as bearing a separate valid

passport if such passport is presented to the appropriate official at the time he departs from or enters into or attempts to depart from or enter into any territory of the United States mentioned in Section 53.1.

SEC. 53.5. *Prevention of departure from or entry into the United States.* (a) Nothing in this part shall be construed as prohibiting the Secretary of State or his representative at a port in the United States from preventing the departure from or entry into the United States, including the Canal Zone and all territories, continental or insular, subject to the jurisdiction of the United States, of a citizen of the United States or a person who owes allegiance to the United States unless he bears a passport, card of identification, or other document of identity issued by or under authority of the Secretary of State, notwithstanding the fact that he may be destined for or arriving from a place outside any such territory of the United States for which a valid passport is not required under the regulations in this part.

(b) Nor shall anything in the regulations in this part be construed as prohibiting the Secretary of State or his representative at a port in the United States from preventing temporarily the departure from or entry into the United States, including the Canal Zone and all territories, continental or insular, subject to the jurisdiction of the United States, of a citizen of the United States or a person who owes allegiance to the United States, notwithstanding the fact that such person may bear a valid passport, card of identification, or other document of identity issued by or under authority of the Secretary of State or be destined for or arriving from a place outside any such territory of the United States for which a valid passport is not required under the regulations in this part.

SEC. 53.6. *Attempt of a citizen or national to enter without a valid passport.* If any person who alleges that he is a citizen of the United States or a person who owes allegiance to the United States attempts to enter any territory of the United States contrary to the provisions of the regulations in this part, the appropriate officer of the United States at the port at which the attempt is made to enter such territory, if satisfied that such person is a citizen of the United States or a person who owes allegiance to the United States, shall detain such person and immediately report the facts in the case to the Secretary of State and await his instructions.

SEC. 53.7. *Optional use of a valid passport.* Nothing in this part shall be construed to prevent the use of a valid passport by any citizen of the United States, or a person who owes allegiance to the United States, in a case in which a passport is not required by this part.

SEC. 53.8. *Discretionary exercise of authority in passport matters.* Nothing in this part shall be construed to prevent the Secretary of State from exercising the discretion resting in him to refuse to issue a passport, to restrict its use to certain countries, to withdraw or cancel a passport already issued, or to withdraw a passport for the purpose of restricting its validity or use in certain countries.

SEC. 53.9. *Definition of the term "continental United States".* The term "continental United States", as used in this part, includes the territory of the several States of the United States and Alaska.

e. Partial text of regulations of the Secretary of State

- (1) Limitations, 22 C. F. R. 51.135 to 51.143, September 4, 1952, 17 F. R. 8013, as amended January 18, 1956, 21 F. R. 336

SEC. 51.135. *Limitation on issuance of passports to persons supporting Communist movement.* In order to promote the national interest by assuring that persons who support the world Communist movement of which the Communist Party is an integral unit may not, through use of United States passports, further the purposes of that movement, no passport, except one limited for direct and immediate return to the United States, shall be issued to:

(a) Persons who are members of the Communist Party or who have recently terminated such membership under such circumstances as to warrant the conclusion—not otherwise rebutted by the evidence—that they continue to act in furtherance of the interests and under the discipline of the Communist Party;

(b) Persons, regardless of the formal state of their affiliation with the Communist Party, who engage in activities which support the Communist movement under such circumstances as to warrant the conclusion—not otherwise rebutted by the evidence—that they have engaged in such activities as a result of direction, domination, or control exercised over them by the Communist movement.

(c) Persons, regardless of the formal state of their affiliation with the Communist Party, as to whom there is reason to believe, on the balance of all the evidence, that they are going abroad to engage in activities which will advance the Communist movement for the purpose, knowingly and willfully of advancing that movement.

SEC. 51.136. *Limitations on issuance of passports to certain other persons.* In order to promote and safeguard the interests of the United States, passport facilities, except for direct and immediate return to the United States, will be refused to a person when it appears to the satisfaction of the Secretary of State that the person's activities abroad would: (a) violate the laws of the United States; (b) be prejudicial to the orderly conduct of foreign relations; or (c) otherwise be prejudicial to the interests of the United States.

SEC. 51.137. *Notification to Person Whose Passport Application is Tentatively Disapproved.* A person whose passport application is tentatively disapproved under the provisions of section 51.135 or section 51.136 will be notified in writing of the tentative refusal, and of the reasons on which it is based, as specifically as in the judgment of the Department of State security considerations permit. He shall be entitled, upon request, and before such refusal becomes final, to present his case and all relevant information informally to the Passport Division. He shall be entitled to appear in person before a hearing officer of the Passport Division, and to be represented by counsel. He will, upon request, confirm his oral statements, in an affidavit for the record. After the applicant has presented his case, the Passport Division will review the record, and after consultation with other interested offices, advise the applicant of the decision. If the decision is adverse, such advice will be in writing and shall state the reasons on which the decision is based as specifically as within the judgment of

the Department of State security limitations permit. Such advice shall also inform the applicant of his right to appeal under section 51.138.

Sec. 51.138. *Appeal by Passport Applicant.* In the event of a decision adverse to the applicant, he shall be entitled to appeal his case to the Board of Passport Appeals provided for in section 51.139.

Sec. 51.139. *Creation and Functions of Board of Passport Appeals.* There is hereby established within the Department of State a Board of Passport Appeals, hereinafter referred to as the Board, composed of not less than three officers of the Department to be designated by the Secretary of State. The Board shall act on all appeals under section 51.138. The Board shall adopt and make public its own rules of procedures, to be approved by the Secretary, which shall provide that its duties in any case may be performed by a panel of not less than three members acting by majority determination. The rules shall accord applicant the right to a hearing and to be represented by counsel, and shall accord applicant and each witness the right to inspect the transcript of his own testimony.

Sec. 51.140. *Duty of Board to Advise Secretary of State on Action for Disposition of Appealed Cases.* It shall be the duty of the Board, on all the evidence, to advise the Secretary of the action it finds necessary and proper to the disposition of cases appealed to it, and to this end the Board may first call for clarification of the record, further investigation, or other action consistent with its duties.

Sec. 51.141. *Bases for Findings of Fact by Board.* (a) In making or reviewing findings of fact, the Board, and all others with responsibility for so doing under sections 51.135 to 51.143, shall be convinced by a preponderance of the evidence, as would a trial court in a civil case.

(b) Consistent and prolonged adherence to the Communist Party line on a variety of issues and through shifts and changes of that line will suffice, *prima facie*, to support a finding under Section 51.135 (b).

Sec. 51.142. *Oath or Affirmation by Applicant as to Membership in Communist Party.* At any stage of the proceedings in the Passport Division or before the Board, if it is deemed necessary, the applicant may be required, as a part of his application, to subscribe, under oath or affirmation, to a statement with respect to present or past membership in the Communist Party. If applicant states that he is a Communist, refusal of a passport in his case will be without further proceedings.

Sec. 51.143. *Applicability of Sections 51.137 to 51.142.* Except for action taken by reason of noncitizenship or geographical limitations of general applicability necessitated by foreign policy considerations, the provisions of sections 51.137 to 51.142 shall apply in any case where the person affected takes issue with the action of the Secretary in granting, refusing, restricting, withdrawing, cancelling, revoking, extending, renewing or in any other fashion or degree affecting the ability of such person to receive or use a passport.

(2) *Rules of the Board of Passport Appeals, 22 C. F. R. 51.151-51.170, January 9, 1954, 19 F. R. 161*

Sec. 51.151. *Organization of Board.* The Secretary of State shall appoint a Board of Passport Appeals consisting of three or more

members, one of whom shall be designated by the Secretary as Chairman. The Chairman shall assure that there is assigned to hear the appeal of any applicant a panel of not less than three members including himself or his designee as presiding officer, which number shall constitute a quorum.

SEC. 51.152. *Decisions of the Board.* Decisions shall be by majority vote. Voting may be either in open or closed session on any question except recommendations under Section 51.140, which shall be in closed session. Decisions under Section 51.140 shall be in writing and shall be signed by all participating members of the Board.

SEC. 51.153. *Counsel to the Board.* A Counsel, to be designated by the Secretary of State, shall be responsible to the Board for the scheduling and presentation of cases, aid in legal and procedural matters, information to the applicant as to his procedural rights before the Board, maintenance of records and such other duties as the Board or the Chairman, on its behalf, may determine.

SEC. 51.154. *Examiner.* The Board may, within its discretion, appoint an examiner in any case, who may, with respect to such case, be vested with any or all authority vested in the Board or its presiding officer, subject to review and final decision by the Board, but, an applicant shall not be denied an opportunity for a hearing before the Board unless he expressly waives it.

SEC. 51.155. *Chairman.* The Chairman, or his designee, shall preside at all hearings of the Board, and shall be empowered in all respects to regulate the course of the hearings and pass upon all issues relating thereto. The Chairman, or his designee, shall be empowered to administer oaths and affirmations.

SEC. 51.156. *Prior administrative remedies.* It is required that prior to petitioning for an appeal, an applicant shall (a) exhaust the administrative remedies available in the Passport Office, as set out in Section 51.137, and (b) comply with the provisions of Section 51.142, as a part of his application, if deemed necessary by the Passport Office.

SEC. 51.157. *Petition.* An applicant desiring to take an appeal shall, within thirty calendar days after receipt of the advice of adverse decision by the Passport Office file with the Board a written petition under oath or affirmation which shall, in plain and concise language, refute or explain the reasons stated by the Passport Office for its decision.

SEC. 51.158. *Delivery of papers.* Petitions or other papers for the attention of the Board may be delivered personally, by registered mail, or by leaving a copy at the offices of the Board at the address to be stated in the advice of adverse action furnished applicant by the Passport Office.

SEC. 51.159. *Notice of hearing.* Applicant shall receive not less than five calendar days notice in writing of the scheduled date and place of hearing which shall be set for a time as soon as possible after receipt by the Board of applicant's petition.

SEC. 51.160. *Appearance.* Any party to any proceedings before the Board may appear in person, or by or with his attorney, who must possess the requisite qualifications, as hereinafter set forth, to practice before the Board.

SEC. 51.161. *Applicant's attorney.* (a) Attorneys at law in good standing who are admitted to practice before the Federal courts or

before the courts of any State or Territory of the United States may practice before the Board.

(b) No officer or employee of the Department of State whose official duties have, in fact, included participation in the investigation, preparation, presentation, decision or review of cases of the class within the competence of the Board of Passport Appeals shall, within two (2) years after the termination of such duties appear as attorney in behalf of an applicant in any case of such nature, nor shall any one appear as such attorney in a case of such class if in the course of prior government service he has dealt with any aspects of the applicant's activities relevant to a determination of that case.

SEC. 51.162. *Supplementary information to applicant.* The purpose of the hearing is to permit applicant to present all information relevant and material to the decision in his case. Applicant may, at the time of filing his petition, address a request in writing to the Board for such additional information or explanation as may be necessary to the preparation of his case. In conformity with the relevant laws and regulations, the Board shall pass promptly and finally upon all such requests and shall advise applicant of its decision. The Board shall take whatever action it deems necessary to insure the applicant of a full and fair consideration of his case.

SEC. 51.163. *Hearings.* The Passport file and any other pertinent Government files shall be considered as part of the evidence in each case without testimony or other formality as to admissibility. Such files may not be examined by the applicant, except the applicant may examine his application or any paper which he has submitted in connection with his application or appeal. The applicant may appear and testify in his own behalf, be represented by counsel subject to the provisions of Section 51.161, present witnesses and offer other evidence in his own behalf. The applicant and all witnesses may be cross-examined by any member of the Board or its counsel. If any witness whom the applicant wishes to call is unable to appear personally, the Board may, in its discretion, accept an affidavit by him or order evidence to be taken by deposition. Such depositions may be taken before any person designated by the Board and such designee is hereby authorized to administer oaths or affirmations for the purpose of the depositions. The Board shall conduct the hearing proceedings in such manner as to protect from disclosure information affecting the national security or tending to disclose or compromise investigative sources or methods.

SEC. 51.164. *Admissibility.* The Board and the applicant may introduce such evidence as the Board deems proper. Formal rules of evidence shall not apply, but reasonable restrictions shall be imposed as to the relevancy, competency, and materiality of evidence presented to the Passport Office's stated reasons for its decision and/or to the application of Sec. 51.135 or SEC. 51.136 to applicant's case.

SEC. 51.165. *Argumentation.* All argumentation shall be directed to the application of the passport regulations to the facts of the particular case. The Board will permit no oral argument or motions relative to the legality or propriety of the hearing or other procedures of the Board. Submission of such argument or motions will be confined to the filing of written briefs, objections, or motions to be made a part of the record. The Board will not undertake to consider any such motion or contention.

SEC. 51.166. *Privacy of hearings.* Hearings shall be private. There shall be present at the hearing only the members of the Board, Board's Counsel, official stenographers, Departmental employees concerned, the applicant, his counsel, and the witnesses. Witnesses shall be present at the hearing only while actually giving testimony.

SEC. 51.167. *Misbehavior before Board.* If, in the course of a hearing before the Board, an applicant or attorney is guilty of misbehavior, he may be excluded from further participation in the hearing. In addition, he may be excluded from participation in any other case before the Board.

SEC. 51.168. *Transcript of hearings.* A complete verbatim stenographic transcript shall be made of hearings by qualified reporters, and the transcript shall constitute a permanent part of the record. Upon request, the applicant and each witness shall have the right to inspect the transcript of his own testimony.

SEC. 51.169. *Notice of decision.* The Board shall communicate the action recommended under SEC. 51.140 on all cases appealed to it, to the Secretary of State. The decision of the Secretary of State shall be notified in writing to the applicant. Such notice shall be given the applicant as promptly as possible after his hearing before the Board.

SEC. 51.170. *Probative value of evidence.* In determining whether there is a preponderance of evidence supporting the denial of a passport the Board shall consider the entire record, including the transcript of the hearing and such confidential information as it may have in its possession. The Board shall take into consideration the inability of the applicant to meet information of which he has not been advised, specifically or in detail, or to attack the credibility of confidential informants.

#### f. Criminal provisions

##### (1) Punishable Violations, 18 U. S. C. 1541 to 1545, Act of June 25, 1948; 62 Stat. 771

###### SEC. 1541. *Issuance of Passport without Authority.*

Whoever, acting or claiming to act in any office or capacity under the United States, or a State or possession, without lawful authority grants, issues, or verifies any passport or other instrument in the nature of a passport to or for any person whomsoever; or

Whoever, being a consular officer authorized to grant, issue or verify passports, knowingly and willfully grants, issues, or verifies any such passport to or for any person not owing allegiance, to the United States, whether a citizen or not—

Shall be fined not more than \$500 or imprisoned not more than one year, or both.

###### SEC. 1542. *False Statement in Application and Use of Passport.*

Whoever willfully and knowingly makes any false statement in an application for passport with intent to induce or secure the issuance of a passport under the authority of the United States, either for his own use or the use of another, contrary to the laws regulating the issuance of passports or the rules prescribed pursuant to such laws; or

Whoever willfully and knowingly uses, or attempts to use, or furnishes to another for use any passport the issue of which was secured in any way by reason of any false statement—

Shall be fined not more than \$2,000 or imprisoned not more than five years, or both.

*Sec. 1543. Forgery or False Use of Passport.*

Whoever falsely makes, forges, counterfeits, mutilates, or alters any passport or instrument purporting to be a passport, with intent that the same may be used; or

Whoever willfully and knowingly uses, or attempts to use, or furnishes to another for use any such false, forged, counterfeited, mutilated, or altered passport or instrument purporting to be a passport, or any passport validly issued which has become void by the occurrence of any condition therein prescribed invalidating the same—

Shall be fined not more than \$2,000 or imprisoned not more than five years, or both.

*Sec. 1544. Misuse of Passport.*

Whoever willfully and knowingly uses, or attempts to use, any passport issued or designed for the use of another; or

Whoever willfully and knowingly uses, or attempts to use, any passport in violation of the conditions or restrictions therein contained or of the rules prescribed pursuant to the laws regulating the issuance of passports; or

Whoever willfully and knowingly furnishes, disposes of, or delivers a passport to any person, for use by another than the person for whose use it was originally issued and designed—

Shall be fined not more than \$2,000 or imprisoned not more than five years, or both.

*Sec. 1545. Safe Conduct Violation.*

Whoever violates any safe conduct or passport duly obtained and issued under authority of the United States shall be fined not more than \$2,000 or imprisoned not more than three years, or both.

**(2) Statute of Limitations, 18 U. S. C. 3291, Act of June 30, 1951; 65 Stat. 107**

*SEC. 3291. Nationality, Citizenship and Passports.*

No person shall be prosecuted, tried, or punished for violation of any provision of sections 1423 to 1428, inclusive, of chapter 69 and sections 1541 to 1544, inclusive, of chapter 75 of title 18 of the United States Code, or for conspiracy to violate any of the aforementioned sections, unless the indictment is found or the information is instituted within ten years after the commission of the offense.

## E. UNITED NATIONS

### 1. The United Nations Participation Act of 1945, as amended

Text of Public Law 264, 79th Congress [S. 1580], 59 Stat. 619, approved December 20, 1945, as amended by Public Law 341, 81st Congress [H. R. 4708], 63 Stat. 734, approved October 10, 1949

AN ACT To provide for the appointment of representatives of the United States in the organs and agencies of the United Nations, and to make other provision with respect to the participation of the United States in such organization.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "United Nations Participation Act of 1945".*

Sec. 2.<sup>1</sup> (a) The President, by and with the advice and consent of the Senate, shall appoint a representative and a deputy representative of the United States to the United Nations, both of whom shall have the rank and status of envoy extraordinary and ambassador plenipotentiary and shall hold office at the pleasure of the President. Such representative and deputy representative shall represent the United States in the Security Council of the United Nations and may serve ex officio as United States representative on any organ, commission, or other body of the United Nations other than specialized agencies of the United Nations, and shall perform such other functions in connection with the participation of the United States in the United Nations as the President may from time to time direct.

(b) The President, by and with the advice and consent of the Senate, shall appoint an additional deputy representative of the United States to the Security Council who shall hold office at the pleasure of the President. Such deputy representative shall represent the United States in the Security Council of the United Nations in the event of the absence or disability of both the representative and the deputy representative of the United States to the United Nations.

(c) The President, by and with the advice and consent of the Senate, shall designate from time to time to attend a specified session or specified sessions of the General Assembly of the United Nations not to exceed five representatives of the United States and such number of alternates as he may determine consistent with the rules of procedure of the General Assembly. One of the representatives shall be designated as the senior representative.

(d) The President may also appoint from time to time such other persons as he may deem necessary to represent the United States in the organs and agencies of the United Nations, but the representative of the United States in the Economic and Social Council and in the Trusteeship Council of the United Nations shall be appointed only by and with the advice and consent of the Senate, except that the Presi-

<sup>1</sup> 22 U. S. C. § 287.

dent may, without the advice and consent of the Senate, designate any officer of the United States to act, without additional compensation, as the representative of the United States in either such Council (A) at any specified session thereof where the position is vacant or in the absence or disability of the regular representative, or (B) in connection with a specified subject matter at any specified session of either such Council in lieu of the regular representative. The President may designate any officer of the Department of State, whose appointment is subject to confirmation by the Senate, to act, without additional compensation, for temporary periods as the representative of the United States in the Security Council of the United Nations in the absence or disability of the representative and deputy representatives appointed under section 2 (a) and (b) or in lieu of such representatives in connection with a specified subject matter. The advice and consent of the Senate shall be required for the appointment by the President of the representative of the United States in any commission that may be formed by the United Nations with respect to atomic energy or in any other commission of the United Nations to which the United States is entitled to appoint a representative.

(e) Nothing contained in this section shall preclude the President or the Secretary of State, at the direction of the President, from representing the United States at any meeting or session of any organ or agency of the United Nations.

(f) All persons appointed in pursuance of authority contained in this section shall receive compensation at rates determined by the President upon the basis of duties to be performed but not in excess of rates authorized by sections 411 and 412 of the Foreign Service Act of 1946 (Public Law 724, Seventy-ninth Congress) for chiefs of mission and Foreign Service officers occupying positions of equivalent importance, except that no Member of the Senate or House of Representatives or officer of the United States who is designated under subsections (c) and (d) of this section as a representative of the United States or as an alternate to attend any specified session or specified sessions of the General Assembly shall be entitled to receive such compensation.

SEC. 3.<sup>2</sup> The representatives provided for in section 2 hereof, when representing the United States in the respective organs and agencies of the United Nations, shall, at all times, act in accordance with the instructions of the President transmitted by the Secretary of State unless other means of transmission is directed by the President, and such representatives shall, in accordance with such instructions, cast any and all votes under the Charter of the United Nations.

SEC. 4.<sup>3</sup> The President shall, from time to time as occasion may require, but not less than once each year, make reports to the Congress of the activities of the United Nations and of the participation of the United States therein. He shall make special current reports on decisions of the Security Council to take enforcement measures under the provisions of the Charter of the United Nations, and on the participation therein, under his instructions, of the representative of the United States.

<sup>2</sup> 22 U. S. C. § 287a.  
<sup>3</sup> 22 U. S. C. § 287b.

Sec. 5.<sup>4</sup> (a) Notwithstanding the provisions of any other law, whenever the United States is called upon by the Security Council to apply measures which said Council has decided, pursuant to article 41 of said Charter, are to be employed to give effect to its decisions under said Charter, the President may, to the extent necessary to apply such measures, through any agency which he may designate, and under such orders, rules, and regulations as may be prescribed by him, investigate, regulate, or prohibit, in whole or in part, economic relations or rail, sea, air, postal, telegraphic, radio, and other means of communication between any foreign country or any national thereof or any person therein and the United States or any person subject to the jurisdiction thereof, or involving any property subject to the jurisdiction of the United States.

(b) Any person who willfully violates or evades or attempts to violate or evade any order, rule, or regulation issued by the President pursuant to paragraph (a) of this section shall, upon conviction, be fined not more than \$10,000 or, if a natural person, be imprisoned for not more than ten years, or both; and the officer, director, or agent of any corporation who knowingly participates in such violation or evasion shall be punished by a like fine, imprisonment, or both, and any property, funds, securities, papers, or other articles or documents, or any vessel, together with her tackle, apparel, furniture, and equipment, or vehicle, or aircraft, concerned in such violation shall be forfeited to the United States.

Sec. 6.<sup>5</sup> The President is authorized to negotiate a special agreement or agreements with the Security Council which shall be subject to the approval of the Congress by appropriate Act or joint resolution, providing for the numbers and types of armed forces, their degree of readiness and general location, and the nature of facilities and assistance, including rights of passage, to be made available to the Security Council on its call for the purpose of maintaining international peace and security in accordance with article 43 of said Charter. The President shall not be deemed to require the authorization of the Congress to make available to the Security Council on its call in order to take action under article 42 of said Charter and pursuant to such special agreement or agreements the armed forces, facilities, or assistance provided for therein: *Provided*, That, except as authorized in section 7 of this Act, nothing herein contained shall be construed as an authorization to the President by the Congress to make available to the Security Council for such purpose armed forces, facilities, or assistance in addition to the forces, facilities, and assistance provided for in such special agreement or agreements.

Sec. 7.<sup>6</sup> (a) Notwithstanding the provisions of any other law, the President, upon the request by the United Nations for cooperative action, and to the extent that he finds that it is consistent with the national interest to comply with such request, may authorize, in support of such activities of the United Nations as are specifically directed to the peaceful settlement of disputes and not involving the employment of armed forces contemplated by chapter VII of the United Nations Charter—

<sup>4</sup> 22 U. S. C. § 287c.  
<sup>5</sup> 22 U. S. C. § 287d.  
<sup>6</sup> 22 U. S. C. § 287d-1.

(1) the detail to the United Nations, under such terms and conditions as the President shall determine, of personnel of the armed forces of the United States to serve as observers, guards, or in any noncombatant capacity, but in no event shall more than a total of one thousand of such personnel be so detailed at any one time: *Provided*, That while so detailed, such personnel shall be considered for all purposes as acting in the line of duty, including the receipt of pay and allowances as personnel of the armed forces of the United States, credit for longevity and retirement, and all other perquisites appertaining to such duty: *Provided further*, That upon authorization or approval by the President, such personnel may accept directly from the United Nations (a) any or all of the allowances or perquisites to which they are entitled under the first proviso hereof, and (b) extraordinary expenses and perquisites incident to such detail;

(2) the furnishing of facilities, services, or other assistance and the loan of the agreed fair share of the United States of any supplies and equipment to the United Nations by the National Military Establishment, under such terms and conditions as the President shall determine;

(3) the obligation, insofar as necessary to carry out the purposes of clauses (1) and (2) of this subsection, of any funds appropriated to the National Military Establishment or any department therein, the procurement of such personnel, supplies, equipment, facilities, services, or other assistance as may be made available in accordance with the request of the United Nations, and the replacement of such items, when necessary, where they are furnished from stocks.

(b) Whenever personnel or assistance is made available pursuant to the authority contained in subsection (a) (1) and (2) of this section, the President shall require reimbursement from the United Nations for the expense thereby incurred by the United States: *Provided*, That in exceptional circumstances, or when the President finds it to be in the national interest, he may waive, in whole or in part, the requirement of such reimbursement: *Provided further*, That when any such reimbursement is made, it shall be credited, at the option of the appropriate department of the National Military Establishment, either to the appropriation, fund, or account utilized in incurring the obligation, or to an appropriate appropriation, fund, or account currently available for the purposes for which expenditures were made.

(c) In addition to the authorization of appropriations to the Department of State contained in section 8 of this Act, there is hereby authorized to be appropriated to the National Military Establishment, or any department therein, such sums as may be necessary to reimburse such Establishment or department in the event that reimbursement from the United Nations is waived in whole or in part pursuant to authority contained in subsection (b) of this section.

(d) Nothing in this Act shall authorize the disclosure of any information or knowledge in any case in which such disclosure is prohibited by any other law of the United States.

SEC. 8.<sup>7</sup> There is hereby authorized to be appropriated annually to

<sup>7</sup> 22 U. S. C. § 287e.

the Department of State, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for the payment by the United States of its share of the expenses of the United Nations as apportioned by the General Assembly in accordance with article 17 of the Charter, and for all necessary salaries and expenses of the representatives provided for in section 2 hereof, and of their appropriate staffs, including personal services in the District of Columbia and elsewhere, without regard to the civil-service laws and the Classification Act of 1923, as amended; travel expenses without regard to the Standardized Government Travel Regulations, as amended, the Travel Expense Act of 1949, and section 10 of the Act of March 3, 1933, as amended, and, under such rules and regulations as the Secretary of State may prescribe, travel expenses of families and transportation of effects of United States representatives and other personnel in going to and returning from their post of duty; allowances for living quarters, including heat, fuel, and light, as authorized by the Act approved June 26, 1930 (5 U. S. C. 118a); cost-of-living allowances for personnel stationed abroad under such rules and regulations as the Secretary of State may prescribe; communications services; stenographic reporting, translating, and other services, by contract; hire of passenger motor vehicles and other local transportation; rent of offices; printing and binding without regard to section 11 of the Act of March 1, 1919 (44 U. S. C. 111); allowances and expenses as provided in section 6 of the Act of July 30, 1946 (Public Law 565, Seventy-ninth Congress), and allowances and expenses equivalent to those provided in section 901 (3) of the Foreign Service Act of 1946 (Public Law 724, Seventy-ninth Congress); the lease or rental (for periods not exceeding ten years) of living quarters for the use of the representative of the United States to the United Nations referred to in paragraph (a) of section 2 hereof, the cost of installation and use of telephones in the same manner as telephone service is provided for use of the Foreign Service pursuant to the Act of August 23, 1912, as amended (31 U. S. C. 679), and the allotment of funds, similar to the allotment authorized by section 902 of the Foreign Service Act of 1946, for unusual expenses incident to the operation and maintenance of such living quarters, to be accounted for in accordance with section 903 of said Act; and such other expenses as may be authorized by the Secretary of State; all without regard to section 3709 of the Revised Statutes, as amended (41 U. S. C. 5).

## 2. The International Organizations Immunities Act

Text of Public Law 291, 79th Congress [H. R. 4489], 59 Stat. 669, approved December 29, 1945<sup>1</sup>

AN ACT To extend certain privileges, exemptions, and immunities to international organizations and to the officers and employees thereof, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### TITLE I

SECTION 1.<sup>2</sup> For the purposes of this title, the term "international organization" means a public international organization in which the United States participates pursuant to any treaty or under the authority of any Act of Congress authorizing such participation or making an appropriation for such participation, and which shall have been designated by the President through appropriate Executive order as being entitled to enjoy the privileges, exemptions, and immunities herein provided. The President shall be authorized, in the light of the functions performed by any such international organization, by appropriate Executive order to withhold or withdraw from any such organization or its officers or employees any of the privileges, exemptions, and immunities provided for in this title (including the amendments made by this title) or to condition or limit the enjoyment by any such organization or its officers or employees of any such privilege, exemption, or immunity. The President shall be authorized, if in his judgment such action should be justified by reason of the abuse by an international organization or its officers and employees of the privileges, exemptions, and immunities herein provided or for any other reason, at any time to revoke the designation of any international organization under this section, whereupon the international organization in question shall cease to be classed as an international organization for the purposes of this title.<sup>3</sup>

<sup>1</sup>Title II is unrelated to the U. N. and has been omitted.

<sup>2</sup>22 U. S. C. § 288.

<sup>3</sup>The following international organizations are currently designated by the President as public international organizations entitled to enjoy the privileges, exemptions and immunities of the International Organizations Immunities Act:

*Executive Order No. 9698, February 19, 1946*

The Food and Agriculture Organization  
The International Labor Organization  
The United Nations

*Executive Order No. 9751, July 12, 1946*

Inter-American Institute of Agricultural Sciences  
Inter-American Statistical Institute  
International Bank for Reconstruction and Development  
International Monetary Fund  
Pan American Sanitary Bureau

*Executive Order No. 9823, January 24, 1947*

International Wheat Advisory Committee  
(International Wheat Council)

SEC. 2.<sup>4</sup> International organizations shall enjoy the status, immunities, exemptions, and privileges set forth in this section, as follows:

(a) International organizations shall, to the extent consistent with the instrument creating them, possess the capacity—

- (i) to contract;
- (ii) to acquire and dispose of real and personal property;
- (iii) to institute legal proceedings.

(b) International organizations, their property and their assets, wherever located, and by whomsoever held, shall enjoy the same immunity from suit and every form of judicial process as is enjoyed by foreign governments, except to the extent that such organizations may expressly waive their immunity for the purpose of any proceedings or by the terms of any contract.

(c) Property and assets of international organizations, wherever located and by whomsoever held, shall be immune from search, unless such immunity be expressly waived, and from confiscation. The archives of international organizations shall be inviolable.

(d) Insofar as concerns customs duties and internal-revenue taxes imposed upon or by reason of importation, and the procedures in connection therewith; the registration of foreign agents; and the treatment of official communications, the privileges, exemptions, and immunities to which international organizations shall be entitled shall be those accorded under similar circumstances to foreign governments.

*Executive Order No. 9863, June 2, 1947*

United Nations Educational, Scientific, and Cultural Organization  
International Civil Aviation Organization  
International Telecommunication Union

*Executive Order No. 9911, December 22, 1947*

International Cotton Advisory Committee

*Executive Order No. 9972, June 25, 1948*

International Joint Commission, United States and Canada

*Executive Order No. 10025, December 30, 1948*

World Health Organization  
Caribbean Commission

*Executive Order No. 10086, November 25, 1949*

South Pacific Commission

*Executive Order No. 10133, June 27, 1950*

Organization for European Economic Cooperation

*Executive Order No. 10228, March 26, 1951*

Inter-American Defense Board

*Executive Order No. 10335, March 28, 1952*

Provisional Intergovernmental Committee for the Movement of Migrants from Europe  
(now the Intergovernmental Committee for European Migration)

*Executive Order No. 10533, June 3, 1954*

Organization of American States (includes the Pan American Union, previously designated February 19, 1946, by Executive Order No. 9698)

*Executive Order No. 10676, September 4, 1956*

World Meteorological Organization

*Executive Order No. 10680, October 4, 1956*

International Finance Corporation

*Executive Order No. 10727, August 31, 1957*

Preparatory Commission of the International Atomic Energy Agency  
International Atomic Energy Agency  
Universal Postal Union

<sup>4</sup>22 U. S. C. § 288a.

SEC. 3.<sup>5</sup> Pursuant to regulations prescribed by the Commissioner of Customs with the approval of the Secretary of the Treasury, the baggage and effects of alien officers and employees of international organizations, or of aliens designated by foreign governments to serve as their representatives in or to such organizations, or of the families, suites, and servants of such officers, employees, or representatives shall be admitted (when imported in connection with the arrival of the owner) free of customs duties and free of internal-revenue taxes imposed upon or by reason of importation.

SEC. 4.<sup>6</sup> The Internal Revenue Code is hereby amended as follows:

(a)<sup>7</sup> Effective with respect to taxable years beginning after December 31, 1943, section 116 (c), relating to the exclusion from gross income of income of foreign governments, is amended to read as follows:

"(c) INCOME OF FOREIGN GOVERNMENTS AND OF INTERNATIONAL ORGANIZATIONS.—The income of foreign governments or international organizations received from investments in the United States in stocks, bonds, or other domestic securities, owned by such foreign governments or by international organizations, or from interest on deposits in banks in the United States of moneys belonging to such foreign governments or international organizations, or from any other source within the United States."

(b)<sup>8</sup> Effective with respect to taxable years beginning after December 31, 1943, section 116 (h) (1), relating to the exclusion from gross income of amounts paid employees of foreign governments, is amended to read as follows:

"(1) RULE FOR EXCLUSION.—Wages, fees, or salary of any employee of a foreign government or of an international organization or of the Commonwealth of the Philippines (including a consular or other officer, or a nondiplomatic representative), received as compensation for official services to such government, international organization, or such Commonwealth—

"(A) If such employee is not a citizen of the United States, or is a citizen of the Commonwealth of the Philippines (whether or not a citizen of the United States); and

"(B) If, in the case of an employee of a foreign government or of the Commonwealth of the Philippines, the services are of a character similar to those performed by employees of the Government of the United States in foreign countries or in the Commonwealth of the Philippines, as the case may be; and

"(C) If, in the case of an employee of a foreign government or the Commonwealth of the Philippines, the foreign government or the Commonwealth grants an equivalent exemption to employees of the Government of the United States performing similar services in such foreign country or such Commonwealth, as the case may be."

(c)<sup>9</sup> Effective January 1, 1946, section 1426 (b), defining the term "employment" for the purposes of the Federal Insurance Contribu-

<sup>5</sup> 22 U. S. C. § 288b.

<sup>6</sup> The provisions of sec. 4 are contained in title 26 of the United States Code, as noted below.

<sup>7</sup> 26 U. S. C. § 116 (c).

<sup>8</sup> 26 U. S. C. §§ 116 (h) (1) (A), (B), (C).

<sup>9</sup> 26 U. S. C. § 1426 (b) (17).

tions Act, is amended (1) by striking out the word "or" at the end of paragraph (14), (2) by striking out the period at the end of paragraph (15) and inserting in lieu thereof a semicolon and the word "or", and (3) by inserting at the end of the subsection the following new paragraph:

"(16) Service performed in the employ of an international organization."

(d)<sup>10</sup> Effective January 1, 1946, section 1607 (c), defining the term "employment" for the purposes of the Federal Unemployment Tax Act, is amended (1) by striking out the word "or" at the end of paragraph (14), (2) by striking out the period at the end of paragraph (15) and inserting in lieu thereof a semicolon and the word "or," and (3) by inserting at the end of the subsection the following new paragraph:

"(16) Service performed in the employ of an international organization."

(e)<sup>11</sup> Section 1621 (a) (5), relating to the definition of "wages" for the purpose of collection of income tax at the source, is amended by inserting after the words "foreign government" the words "or an international organization".

(f)<sup>12</sup> Section 3466 (a), relating to exemption from communications taxes is amended by inserting immediately after the words "the District of Columbia" a comma and the words "or an international organization".

(g)<sup>13</sup> Section 3469 (f) (1), relating to exemption from the tax on transportation of persons, is amended by inserting immediately after the words "the District of Columbia" a comma and the words "or an international organization".

(h)<sup>14</sup> Section 3475 (b) (1), relating to exemption from the tax on transportation of property, is amended by inserting immediately after the words "the District of Columbia" a comma and the words "or an international organization".

(i)<sup>15</sup> Section 3797 (a), relating to definitions, is amended by adding at the end thereof a new paragraph as follows:

"(18) INTERNATIONAL ORGANIZATION.—The term 'international organization' means a public international organization entitled to enjoy privileges, exemptions, and immunities as an international organization under the International Organizations Immunities Act."

Sec. 5. (a)<sup>16</sup> Effective January 1, 1946, section 209 (b) of the Social Security Act, defining the term "employment" for the purposes of title II of the Act, is amended (1) by striking out the word "or" at the end of paragraph (14), (2) by striking out the period at the end of paragraph (15) and inserting in lieu thereof a semicolon and the word "or", and (3) by inserting at the end of the subsection the following new paragraph:

"(16) Service performed in the employ of an international organization entitled to enjoy privileges, exemptions, and im-

<sup>10</sup> 26 U. S. C. § 1607 (c) (16).

<sup>11</sup> 26 U. S. C. § 1621 (a) (5).

<sup>12</sup> 26 U. S. C. § 3466 (a).

<sup>13</sup> 26 U. S. C. § 3469 (f) (1).

<sup>14</sup> 26 U. S. C. § 3475 (b) (1).

<sup>15</sup> 26 U. S. C. § 3797 (a) (18).

<sup>16</sup> 42 U. S. C. § 410 (a) (15).

munities as an international organization under the International Organizations Immunities Act.”<sup>17</sup>

(b) <sup>18</sup> No tax shall be collected under title VIII or IX of the Social Security Act or under the Federal Insurance Contributions Act or the Federal Unemployment Tax Act, with respect to services rendered prior to January 1, 1946, which are described in paragraph (16) of sections 1426 (b) and 1607 (c) of the Internal Revenue Code, as amended, and any such tax heretofore collected (including penalty and interest with respect thereto, if any) shall be refunded in accordance with the provisions of law applicable in the case of erroneous or illegal collection of the tax. No interest shall be allowed or paid on the amount of any such refund. No payment shall be made under title II of the Social Security Act with respect to services rendered prior to January 1, 1946, which are described in paragraph (16) of section 209 (b) of such Act, as amended.

Sec. 6.<sup>19</sup> International organizations shall be exempt from all property taxes imposed by, or under the authority of, any Act of Congress, including such Acts as are applicable solely to the District of Columbia or the Territories.

Sec. 7. (a) <sup>20</sup> Persons designated by foreign governments to serve as their representatives in or to international organizations and the officers and employees of such organizations, and members of the immediate families of such representatives, officers, and employees residing with them, other than nationals of the United States, shall, insofar as concerns laws regulating entry into and departure from the United States, alien registration and fingerprinting, and the registration of foreign agents, be entitled to the same privileges, exemptions, and immunities as are accorded under similar circumstances to officers and employees, respectively, of foreign governments, and members of their families.

(b) <sup>21</sup> Representatives of foreign governments in or to international organizations and officers and employees of such organizations shall be immune from suit and legal process relating to acts performed by them in their official capacity and falling within their functions as such representatives, officers, or employees except insofar as such immunity may be waived by the foreign government or international organization concerned.

(c) <sup>22</sup> Section 3 of the Immigration Act approved May 26, 1924, as

<sup>17</sup> 26 U. S. C. § 1400 Historical Note; 26 U. S. C. § 1600 Historical Note; 42 U. S. C. § 401 Historical Note.

<sup>18</sup> 22 U. S. C. § 288c.

<sup>19</sup> 22 U. S. C. § 288d (a).

<sup>20</sup> 22 U. S. C. § 288d (b).

<sup>21</sup> Sec. 3 of the Immigration Act of May 26, 1924 (8 U. S. C. § 203) was repealed and replaced by sec. 101 (a) (15) of the Immigration and Nationality Act of June 27, 1952, Public Law 414, 82d Congress, 2d sess., 66 Stat. 168, 8 U. S. C. § 1101 (a). Sec. 7 (c) of the International Organizations Immunities Act, set forth in the text above, is now covered by sec. 101 (a) (15) (G) of the Immigration and Nationality Act of June 27, 1952 (8 U. S. C. § 1101 (a) (15) (G)), which provides:

“(G) (i) a designated principal resident representative of a foreign government recognized de jure by the United States, which foreign government is a member of an international organization entitled to enjoy privileges, exemptions, and immunities as an international organization under the International Organizations Immunities Act (55 Stat. 669), accredited resident members of the staff of such representatives, and members of his or their immediate family;

(ii) other accredited representatives of such a foreign government to such international organizations, and the members of their immediate families;

(iii) an alien able to qualify under (i) or (ii) above except for the fact that the government of which such alien is an accredited representative is not recognized de jure by the United States, or that the government of which he is an accredited representative is not a member of such international organization, and the members of his immediate family;

amended (U. S. C., title 8, sec. 203), is hereby amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and (7) a representative of a foreign government in or to an international organization entitled to enjoy privileges, exemptions, and immunities as an international organization under the International Organizations Immunities Act, or an alien officer or employee of such an international organization, and the family, attendants, servants, and employees of such a representative, officer, or employee".

(d) <sup>22</sup> Section 15 of the Immigration Act approved May 26, 1924, as

(iv) officers, or employees of such international organizations, and the members of their immediate families;

(v) attendants, servants, and personal employees of any such representative, officer, or employee, and the members of the immediate families of such attendants, servants, and personal employees."

Sec. 101 (a) (15) of the Immigration and Nationality Act of June 27, 1952 (8 U. S. C. § 1101 (a) (15)) establishes nine categories of "nonimmigrant" aliens (aliens admitted to the United States on a temporary basis, not for permanent residence here, and therefore not subject to quota restrictions). These are: Class A, Foreign government officials; Class B, Temporary visitors; Class C, Transit aliens (including aliens entitled to pass in transit to and from the United Nations headquarters in New York City); Class D, Crewmen; Class E, Treaty traders and treaty investors; Class F, Students; Class G, International organizations personnel; Class H, Temporary workers; Class I, Foreign correspondents. A detailed account of the Immigration and Nationality Act of June 27, 1952 appears in a special article in Title 8 of the United States Code Annotated, prepared by Walter M. Besterman, Legislative Assistant, Committee on the Judiciary, House of Representatives, United States.

<sup>22</sup> Sec. 15 of the Immigration Act of May 26, 1924 (U. S. C. § 215) has been repealed and replaced by secs. 102, 214, and 241 of the Immigration and Nationality Act of June 27, 1952, (8 U. S. C. §§ 1102, 1184, 1251 (e)). Sec. 7 (d) of the International Organizations Immunities Act, set forth in the text above, is now covered by sec. 102 of the Immigration and Nationality Act of June 27, 1952 (8 U. S. C. § 1102), which states:

"Sec. 102. Except as otherwise provided in this Act, for so long as they continue in the nonimmigrant classes enumerated in this section, the provisions of this Act relating to ineligibility to receive visas and the exclusion or deportation of aliens shall not be construed to apply to nonimmigrants—

(1) within the class described in paragraph (15) (A) (1) of section 101 (a), except those provisions relating to reasonable requirements of passports and visas as a means of identification and documentation necessary to establish their qualifications under such paragraph (15) (A) (1), and, under such rules and regulations as the President may deem to be necessary, the provisions of paragraph (27) of section 212 (a);

(2) within the class described in paragraph (15) (G) (1) of section 101 (a), except those provisions relating to reasonable requirements of passports and visas as a means of identification and documentation necessary to establish their qualifications under such paragraph (15) (G) (1), and the provisions of paragraph (27) of section 212 (a); and

(3) within the classes described in paragraphs (15) (A) (H), (15) (G) (II), (15) (G) (III), or (15) (G) (IV) of section 101 (a), except those provisions relating to reasonable requirements of passports and visas as a means of identification and documentation necessary to establish their qualifications under such paragraphs, and the provisions of paragraphs (27) and (29) of section 212 (a)."

Sec. 212 of the Immigration and Nationality Act of June 27, 1952 (8 U. S. C. § 1182) sets forth the various classes of aliens to be excluded from admission to the United States. Paragraph (27) of sec. 212 (a) (8 U. S. C. § 1182 (a) (27)) provides:

"(27) Aliens who the consular officer or the Attorney General knows or has reason to believe seek to enter the United States solely, principally, or incidentally to engage in activities which would be prejudicial to the public interest, or endanger the welfare, safety, or security of the United States."

Paragraph (29) of sec. 212 (a) (8 U. S. C. § 1182 (a) (29)) provides:  
"(29) Aliens with respect to whom the consular officer or the Attorney General knows or has reasonable ground to believe probably would, after entry, (A) engage in activities which would be prohibited by the laws of the United States relating to espionage, sabotage, public disorder, or in other activity subversive to the national security, (B) engage in any activity a purpose of which is the opposition to, or the control or overthrow of, the Government of the United States, by force, violence, or other unconstitutional means, or (C) join, affiliate with, or participate in the activities of any organization which is registered or required to be registered under section 7 of the Subversive Activities Control Act of 1950;"

It will be noted that sec. 102 (8 U. S. C. § 1102) covers class (15) (G) (1), (H), (III) and (IV) cases of international organizations personnel, but does not cover (15) (G) (V) cases (attendants, servants, and personal employees of such personnel, and members of the immediate families of such attendants, servants, and personal employees). Sec. 212 (8 U. S. C. § 1182) setting forth various grounds of exclusion of aliens, such as mental, physical or moral defects, therefore applies to this class of personnel. Sec. 212 (d) (2) (8 U. S. C. § 1182 (d) (2)) contains this exception:

"(2) The provisions of paragraph (28) of subsection (a) of this section shall not be applicable to any alien who is seeking to enter the United States temporarily as a non-immigrant under paragraph (15) (A) (III) or (15) (G) (V) of Section 101 (a)."

Sec. 212 (a) (28) (8 U. S. C. § 1182 (a) (28)) lists various classes of aliens who are excluded because of subversive activities and associations. These classes include: anarch-

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amended (U. S. C., title 8, sec. 215), is hereby amended to read as follows:

"SEC. 15. The admission to the United States of an alien excepted from the class of immigrants by clause (1), (2), (3), (4), (5), (6), or (7) of section 3, or declared to be a nonquota immigrant by subdivision (e) of section 4, shall be for such time and under such conditions as may be by regulations prescribed (including, when deemed necessary for the classes mentioned in clause (2), (3), (4), or (6) of section 3 and subdivision (e) of section 4, the giving of bond with sufficient surety, in such sum and containing such conditions as may be by regulations prescribed) to insure that, at the expiration of such time or upon failure to maintain the status under which admitted, he will depart from the United States: *Provided*, That no alien who has been, or who may hereafter be, admitted into the United States under clause (1) or (7) of section 3, as an official of a foreign government, or as a member of the family of such official, or as a representative of a foreign government in or to an international organization or an officer or employee of an international organization, or as a member of the family of such representative, officer, or employee, shall be required to depart from the United States without the approval of the Secretary of State."

SEC. 8.<sup>23</sup> (a) No person shall be entitled to the benefits of this title unless he (1) shall have been duly notified to and accepted by the Secretary of State as a representative, officer, or employee; or (2) shall have been designated by the Secretary of State, prior to formal

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ists: opponents of all organized governments; members of the Communist Party of the United States; advocates of world communism; advocates of the overthrow by force, violence, or other unconstitutional means of the Government of the United States or of all forms of law: etc.

In this connection, note should be made of sec. 212 (d) (3) and (6) (8 U. S. C. § 1182 (d) (3) and (6)). Paragraph (3) provides:

"(3) Except as provided in this subsection, an alien (A) who is applying for a non-immigrant visa and is known or believed by the consular officer to be ineligible for such visa under one or more of the paragraphs enumerated in subsection (a) (other than paragraphs (27) and (29)), may, after approval by the Attorney General of a recommendation by the Secretary of State or by the consular officer that the alien be admitted temporarily despite his inadmissibility, be granted such a visa and may be admitted into the United States temporarily as a nonimmigrant in the discretion of the Attorney General, or (B) who is inadmissible under one or more of the paragraphs enumerated in subsection (a) (other than paragraphs (27) and (29)), but who is in possession of appropriate documents or is granted a waiver thereof and is seeking admission, may be admitted into the United States temporarily as a nonimmigrant in the discretion of the Attorney General."

Paragraph (6) provides:

"(6) The Attorney General shall prescribe conditions, including exaction of such bonds as may be necessary, to control and regulate the admission and return of excludable aliens applying for temporary admission under this subsection. The Attorney General shall make a detailed report to the Congress in any case in which he exercises his authority under paragraph (3) of this subsection on behalf of any alien excludable under paragraphs (9), (10), and (28) of subsection (a)."

Attention is also called to sec. 214 (a) and (b) (8 U. S. C. § 1184 (a) and (b)), which provide:

"Sec. 214. (a) The admission to the United States of any alien as a nonimmigrant shall be for such time and under such conditions as the Attorney General may by regulations prescribe, including when he deems necessary the giving of a bond with sufficient surety in such sum and containing such conditions as the Attorney General shall prescribe, to insure that at the expiration of such time or upon failure to maintain the status under which he was admitted, or to maintain any status subsequently acquired under section 248, such alien will depart from the United States.

"(b) Every alien shall be presumed to be an immigrant until he establishes to the satisfaction of the consular officer, at the time of application for a visa, and the immigration officers, at the time of application for admission, that he is entitled to a non-immigrant status under section 101 (a) (15). An alien who is an officer or employee of any foreign government or of any international organization entitled to enjoy privileges, exemptions, and immunities under the International Organizations Immunities Act, or an alien who is the attendant, servant, employee, or member of the immediate family of any such alien shall not be entitled to apply for or receive an immigrant visa, or to enter the United States as an immigrant unless he executes a written waiver in the same form and substance as is prescribed by section 247 (b)."

<sup>22</sup> 22 U. S. C. § 288e.

notification and acceptance, as a prospective representative, officer, or employee; or (3) is a member of the family or suite or servant, of one of the foregoing accepted or designated representatives, officers, or employees.

(b) Should the Secretary of State determine that the continued presence in the United States of any person entitled to the benefits of this title is not desirable, he shall so inform the foreign government or international organization concerned, as the case may be, and after such person shall have had a reasonable length of time, to be determined by the Secretary of State, to depart from the United States, he shall cease to be entitled to such benefits.

(c) No person shall, by reason of the provisions of this title, be considered as receiving diplomatic status or as receiving any of the privileges incident thereto other than such as are specifically set forth herein.

SEC. 9.<sup>24</sup> The privileges, exemptions, and immunities of international organizations and of their officers and employees, and members of their families, suites, and servants, provided for in this title, shall be granted notwithstanding the fact that the similar privileges, exemptions, and immunities granted to a foreign government, its officers, or employees, may be conditioned upon the existence of reciprocity by that foreign government: *Provided*, That nothing contained in this title shall be construed as precluding the Secretary of State from withdrawing the privileges, exemptions, and immunities herein provided from persons who are nationals of any foreign country on the ground that such country is failing to accord corresponding privileges, exemptions, and immunities to citizens of the United States.

SEC. 10. This title may be cited as the "International Organizations Immunities Act".

<sup>24</sup> 22 U. S. C. § 288f.

### 3. The United Nations Headquarters Agreement Act

**Text of Public Law 357, 80th Congress [S. J. Res. 144], 61 Stat. 756, approved August 4, 1947**

**JOINT RESOLUTION** Authorizing the President to bring into effect an agreement between the United States and the United Nations for the purpose of establishing the permanent headquarters of the United Nations in the United States and authorizing the taking of measures necessary to facilitate compliance with the provisions of such agreement, and for other purposes.<sup>1</sup>

Whereas the Charter of the United Nations was signed on behalf of the United States on June 26, 1945, and was ratified on August 8, 1945, by the President of the United States, by and with the advice and consent of the Senate, and the instrument of ratification of the said Charter was deposited on August 8, 1945; and

Whereas the said Charter of the United Nations came into force with respect to the United States on October 24, 1945; and

Whereas article 104 of the Charter provides that "The Organization shall enjoy in the territory of each of its Members such legal capacity as may be necessary for the exercise of its functions and the fulfillment of its purposes"; and

Whereas article 105 of the Charter provides that:

"1. The Organization shall enjoy in the territory of each of its Members such privileges and immunities as are necessary for the fulfillment of its purposes.

"2. Representatives of the Members of the United Nations and officials of the Organization shall similarly enjoy such privileges and immunities as are necessary for the independent exercise of their functions in connection with the Organization.

"3. The General Assembly may make recommendations with a view to determining the details of the application of paragraphs 1 and 2 of this article or may propose conventions to the Members of the United Nations for this purpose."; and

Whereas article 28 and other articles of the Charter of the United Nations contemplate the establishment of a seat for the permanent headquarters of the Organization; and

Whereas the interim arrangements concluded on June 26, 1945, by the governments represented at the United Nations Conference on International Organization instructed the Preparatory Commission established in pursuance of the arrangements to "make studies and prepare recommendations concerning the location of the permanent headquarters of the Organization"; and

Whereas during the labors of the said Preparatory Commission, the Congress of the United States in H. Con. Res. 75, passed unanimously by the House of Representatives December 10, 1945, and agreed to unanimously by the Senate December 11, 1945, invited the United Nations "to locate the seat of the United Nations Organization within the United States"; and

<sup>1</sup> 22 U. S. C. § 287 footnote.

Whereas the General Assembly on December 14, 1946, resolved "that the permanent headquarters of the United Nations shall be established in New York City in the area bounded by First Avenue, East Forty-eighth Street, the East River, and East Forty-second Street"; and

Whereas the General Assembly resolved on December 14, 1946, "That the Secretary-General be authorized to negotiate and conclude with the appropriate authorities of the United States of America an agreement concerning the arrangements required as a result of the establishment of the permanent headquarters of the United Nations in the city of New York" and to be guided in these negotiations by the provisions of a preliminary draft agreement which had been negotiated by the Secretary-General and the Secretary of State of the United States; and

Whereas the General Assembly resolved on December 14, 1946, that pending the coming into force of the agreement referred to above "the Secretary-General be authorized to negotiate and conclude arrangements with the appropriate authorities of the United States of America to determine on a provisional basis the privileges, immunities, and facilities needed in connection with the temporary headquarters of the United Nations."; and

Whereas the Secretary of State of the United States, after consultation with the appropriate authorities of the State and city of New York, signed at Lake Success, New York, on June 26, 1947, on behalf of the United States an agreement with the United Nations regarding the headquarters of the United Nations, which agreement is incorporated herein; and

Whereas the aforesaid agreement provides that it shall be brought into effect by an exchange of notes between the United States and the Secretary-General of the United Nations: Therefore be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the President is hereby authorized to bring into effect on the part of the United States the agreement between the United States of America and the United Nations regarding the headquarters of the United Nations, signed at Lake Success, New York, on June 26, 1947 (hereinafter referred to as the "agreement"), with such changes therein not contrary to the general tenor thereof and not imposing any additional obligations on the United States as the President may deem necessary and appropriate, and at his discretion, after consultation with the appropriate State and local authorities, to enter into such supplemental agreements with the United Nations as may be necessary to fulfill the purposes of the said agreement: *Provided*, That any supplemental agreement entered into pursuant to section 5 of the agreement incorporated herein shall be submitted to the Congress for approval. The agreement follows:

AGREEMENT BETWEEN THE UNITED NATIONS AND  
THE UNITED STATES OF AMERICA REGARDING THE  
HEADQUARTERS OF THE UNITED NATIONS<sup>2</sup>

THE UNITED NATIONS AND THE UNITED STATES OF AMERICA:

Desiring to conclude an agreement for the purpose of carrying out the Resolution adopted by the General Assembly on 14 December 1946 to establish the seat of the United Nations in The City of New York and to regulate questions arising as a result thereof;

Have appointed as their representatives for this purposes:

The United Nations:

TRYGVE LIE,  
*Secretary-General,*

and

The United States of America:

GEORGE C. MARSHALL,  
*Secretary of State,*

Who have agreed as follows:

ARTICLE I—DEFINITIONS

SECTION 1

In this agreement:

(a) The expression "headquarters district" means (1) the area defined as such in Annex 1, (2) any other lands or buildings which from time to time may be included therein by supplemental agreement with the appropriate American authorities;

(b) The expression "appropriate American authorities" means such federal, state, or local authorities in the United States as may be appropriate in the context and in accordance with the laws and customs of the United States, including the laws and customs of the state and local government involved;

(c) the expression "General Convention" means the Convention on the Privileges and Immunities of the United Nations approved by the General Assembly of the United Nations 13 February 1946, as acceded to by the United States;

(d) the expression "United Nations" means the international organization established by the Charter of the United Nations, hereinafter referred to as the "Charter";

(e) the expression "Secretary-General" means the Secretary-General of the United Nations.

ARTICLE II—THE HEADQUARTERS DISTRICT

SECTION 2

The seat of the United Nations shall be the headquarters district.

SECTION 3

The appropriate American authorities shall take whatever action may be necessary to assure that the United Nations shall not be

<sup>2</sup> The agreement was brought into effect on November 21, 1947, by an exchange of notes between the United States representative to the United Nations, under instruction of the President, and the Secretary-General of the United Nations. See Treaties and Other International Acts Series 1678.

dispossessed of its property in the headquarters district, except as provided in Section 22 in the event that the United Nations ceases to use the same; provided that the United Nations shall reimburse the appropriate American authorities for any costs incurred, after consultation with the United Nations, in liquidating by eminent domain proceedings or otherwise any adverse claims.

SECTION 4

(a) The United Nations may establish and operate in the headquarters district:

(1) its own short-wave sending and receiving radio broadcasting facilities (including emergency link equipment) which may be used on the same frequencies (within the tolerances prescribed for the broadcasting service by applicable United States regulations) for radiotelegraph, radioteletype, radiotelephone, radiotelephoto, and similar services;

(2) one point-to-point circuit between the headquarters district and the office of the United Nations in Geneva (using single sideband equipment) to be used exclusively for the exchange of broadcasting programs and interoffice communications;

(3) low power micro-wave, low or medium frequency facilities for communication within headquarters buildings only, or such other buildings as may temporarily be used by the United Nations;

(4) facilities for point-to-point communication to the same extent and subject to the same conditions as permitted under applicable rules and regulations for amateur operation in the United States, except that such rules and regulations shall not be applied in a manner inconsistent with the inviolability of the headquarters district provided by Section 9 (a);

(5) such other radio facilities as may be specified by supplemental agreement between the United Nations and the appropriate American authorities.

(b) The United Nations shall make arrangements for the operation of the services referred to in this section with the International Telecommunication Union, the appropriate agencies of the Government of the United States and the appropriate agencies of other affected governments with regard to all frequencies and similar matters.

(c) The facilities provided for in this section may, to the extent necessary for efficient operation, be established and operated outside the headquarters district. The appropriate American authorities will, on request of the United Nations, make arrangements, on such terms and in such manner as may be agreed upon by supplemental agreement, for the acquisition or use by the United Nations of appropriate premises for such purposes and the inclusion of such premises in the headquarters district.

SECTION 5

In the event that the United Nations should find it necessary and desirable to establish and operate an aerodrome, the conditions for the location, use and operation of such an aerodrome and the conditions under which there shall be entry into and exit therefrom shall be the subject of a supplemental agreement.

SECTION 6

In the event that the United Nations should propose to organize its own postal service, the conditions under which such service shall be set up shall be the subject of a supplemental agreement.

ARTICLE III—LAW AND AUTHORITY IN THE HEADQUARTERS DISTRICT

SECTION 7

- (a) The headquarters district shall be under the control and authority of the United Nations as provided in this agreement.
- (b) Except as otherwise provided in this agreement or in the General Convention, the federal, state and local law of the United States shall apply within the headquarters district.
- (c) Except as otherwise provided in this agreement or in the General Convention, the federal, state and local courts of the United States shall have jurisdiction over acts done and transactions taking place in the headquarters district as provided in applicable federal, state and local laws.
- (d) The federal, state and local courts of the United States, when dealing with cases arising out of or relating to acts done or transactions taking place in the headquarters district, shall take into account the regulations enacted by the United Nations under Section 8.

SECTION 8

The United Nations shall have the power to make regulations, operative within the headquarters district, for the purpose of establishing therein conditions in all respects necessary for the full execution of its functions. No federal, state or local law or regulation of the United States which is inconsistent with a regulation of the United Nations authorized by this section shall, to the extent of such inconsistency, be applicable within the headquarters district. Any dispute, between the United Nations and the United States, as to whether a regulation of the United Nations is authorized by this section or as to whether a federal, state or local law or regulation is inconsistent with any regulation of the United Nations authorized by this section, shall be promptly settled as provided in Section 21. Pending such settlement, the regulation of the United Nations shall apply, and the federal, state or local law or regulation shall be inapplicable in the headquarters district to the extent that the United Nations claims it to be inconsistent with the regulation of the United Nations. This section shall not prevent the reasonable application of fire protection regulations of the appropriate American authorities.

SECTION 9

- (a) The headquarters district shall be inviolable. Federal, state or local officers or officials of the United States, whether administrative, judicial, military or police, shall not enter the headquarters district to perform any official duties therein except with the consent of and under conditions agreed to by the Secretary-General. The service of legal process, including the seizure of private property, may

take place within the headquarters district only with the consent of and under conditions approved by the Secretary-General.

(b) Without prejudice to the provisions of the General Convention or Article IV of this agreement, the United Nations shall prevent the headquarters district from becoming a refuge either for persons who are avoiding arrest under the federal, state, or local law of the United States or are required by the Government of the United States for extradition to another country, or for persons who are endeavoring to avoid service of legal process.

#### SECTION 10

The United Nations may expel or exclude persons from the headquarters district for violation of its regulations adopted under Section 8 or for other cause. Persons who violate such regulations shall be subject to other penalties or to detention under arrest only in accordance with the provisions of such laws or regulations as may be adopted by the appropriate American authorities.

#### ARTICLE IV—COMMUNICATIONS AND TRANSIT

#### SECTION 11

The federal, state or local authorities of the United States shall not impose any impediments to transit to or from the headquarters district of (1) representatives of Members or officials of the United Nations, or of specialized agencies as defined in Article 57, paragraph 2, of the Charter, or the families of such representatives or officials, (2) experts performing missions for the United Nations or for such specialized agencies, (3) representatives of the press, or of radio, film or other information agencies, who have been accredited by the United Nations (or by such a specialized agency) in its discretion after consultation with the United States, (4) representatives of nongovernmental organizations recognized by the United Nations for the purpose of consultation under Article 71 of the Charter, or (5) other persons invited to the headquarters district by the United Nations or by such specialized agency on official business. The appropriate American authorities shall afford any necessary protection to such persons while in transit to or from the headquarters district. This section does not apply to general interruptions of transportation which are to be dealt with as provided in Section 17, and does not impair the effectiveness of generally applicable laws and regulations as to the operation of means of transportation.<sup>8</sup>

#### SECTION 12

The provisions of Section 11 shall be applicable irrespective of the relations existing between the Governments of the persons referred to in that section and the Government of the United States.

<sup>8</sup> See 8 U. S. C. § 1101 (a) (15) (C), establishing as a nonimmigrant (non quota) alien "an alien who qualifies as a person entitled to pass in transit to and from the United Nations Headquarters District and foreign countries, under provisions of paragraphs (3), (4) and (5) of sec. 11 of the Headquarters Agreement with the United Nations (61 Stat. 768); \* \* \*

SECTION 13

(a) Laws and regulations in force in the United States regarding the entry of aliens shall not be applied in such manner as to interfere with the privileges referred to in Section 11. When visas are required for persons referred to in that Section, they shall be granted without charge and as promptly as possible.

(b) Laws and regulations in force in the United States regarding the residence of aliens shall not be applied in such manner as to interfere with the privileges referred to in Section 11 and, specifically, shall not be applied in such manner as to require any such person to leave the United States on account of any activities performed by him in his official capacity. In case of abuse of such privileges of residence by any such person in activities in the United States outside his official capacity, it is understood that the privileges referred to in Section 11 shall not be construed to grant him exemption from the laws and regulations of the United States regarding the continued residence of aliens, provided that:

(1) No proceedings shall be instituted under such laws or regulations to require any such person to leave the United States except with the prior approval of the Secretary of State of the United States. Such approval shall be given only after consultation with the appropriate Member in the case of a representative of a Member (or a member of his family) or with the Secretary-General or the principal executive officer of the appropriate specialized agency in the case of any other person referred to in Section 11;

(2) A representative of the Member concerned, the Secretary-General, or the principal executive officer of the appropriate specialized agency, as the case may be, shall have the right to appear in any such proceedings on behalf of the person against whom they are instituted;

(3) Persons who are entitled to diplomatic privileges and immunities under Section 15 or under the General Convention shall not be required to leave the United States otherwise than in accordance with the customary procedure applicable to diplomatic envoys accredited to the United States.

(c) This section does not prevent the requirement of reasonable evidence to establish that persons claiming the rights granted by Section 11 come within the classes described in that section, or the reasonable application of quarantine and health regulations.

(d) Except as provided above in this section and in the General Convention, the United States retains full control and authority over the entry of persons or property into the territory of the United States and the conditions under which persons may remain or reside there.

(e) The Secretary-General shall, at the request of the appropriate American authorities, enter into discussions with such authorities, with a view to making arrangements for registering the arrival and departure of persons who have been granted visas valid only for transit to and from the headquarters district and sojourn therein and in its immediate vicinity.

(f) The United Nations shall, subject to the foregoing provisions of this section, have the exclusive right to authorize or prohibit entry

of persons and property into the headquarters district and to prescribe the conditions under which persons may remain or reside there.

SECTION 14

The Secretary-General and the appropriate American authorities shall, at the request of either of them, consult as to methods of facilitating entrance into the United States, and the use of available means of transportation, by persons coming from abroad who wish to visit the headquarters district and do not enjoy the rights referred to in this Article.

ARTICLE V—RESIDENT REPRESENTATIVES TO THE UNITED NATIONS

SECTION 15

(1) Every person designated by a Member as the principal resident representative to the United Nations of such Member or as a resident representative with the rank of ambassador or minister plenipotentiary,

(2) such resident members of their staffs as may be agreed upon between the Secretary-General, the Government of the United States and the Government of the Member concerned,

(3) every person designated by a Member of a specialized agency, as defined in Article 57, paragraph 2, of the Charter, as its principal resident representative, with the rank of ambassador or minister plenipotentiary, at the headquarters of such agency in the United States, and

(4) such other principal resident representatives of members to a specialized agency and such resident members of the staffs of representatives to a specialized agency as may be agreed upon between the principal executive officer of the specialized agency, the Government of the United States and the Government of the Member concerned, shall, whether residing inside or outside the headquarters district, be entitled in the territory of the United States to the same privileges and immunities, subject to corresponding conditions and obligations, as it accords to diplomatic envoys accredited to it. In the case of Members whose governments are not recognized by the United States, such privileges and immunities need be extended to such representatives, or persons on the staffs of such representatives, only within the headquarters district, at their residences and offices outside the district, in transit between the district and such residences and offices, and in transit on official business to or from foreign countries.

ARTICLE VI—POLICE PROTECTION OF THE HEADQUARTERS DISTRICT

SECTION 16

(a) The appropriate American authorities shall exercise due diligence to ensure that the tranquility of the headquarters district is not disturbed by the unauthorized entry of groups of persons from outside or by disturbances in its immediate vicinity and shall cause to be provided on the boundaries of the headquarters district such police protection as is required for these purposes.

(b) If so requested by the Secretary-General, the appropriate American authorities shall provide a sufficient number of police for the preservation of law and order in the headquarters district, and for the removal therefrom of persons as requested under the authority of the United Nations. The United Nations shall, if requested, enter into arrangements with the appropriate American authorities to reimburse them for the reasonable cost of such services.

**ARTICLE VII—PUBLIC SERVICES AND PROTECTION OF THE HEADQUARTERS DISTRICT**

**SECTION 17**

(a) The appropriate American authorities will exercise to the extent requested by the Secretary-General the powers which they possess with respect to the supplying of public services to ensure that the headquarters district shall be supplied on equitable terms with the necessary public services, including electricity, water, gas, post, telephone, telegraph, transportation, drainage, collection of refuse, fire protection, snow removal, et cetera. In case of any interruption or threatened interruption of any such services, the appropriate American authorities will consider the needs of the United Nations as being of equal importance with the similar needs of essential agencies of the Government of the United States, and will take steps accordingly, to ensure that the work of the United Nations is not prejudiced.

(b) Special provisions with reference to maintenance of utilities and underground construction are contained in Annex 2.

**SECTION 18**

The appropriate American authorities shall take all reasonable steps to ensure that the amenities of the headquarters district are not prejudiced and the purposes for which the district is required are not obstructed by any use made of the land in the vicinity of the district. The United Nations shall on its part take all reasonable steps to ensure that the amenities of the land in the vicinity of the headquarters district are not prejudiced by any use made of the land in the headquarters district by the United Nations.

**SECTION 19**

It is agreed that no form of racial or religious discrimination shall be permitted within the headquarters district.

**ARTICLE VIII—MATTERS RELATING TO THE OPERATION OF THIS AGREEMENT**

**SECTION 20**

The Secretary-General and the appropriate American authorities shall settle by agreement the channels through which they will communicate regarding the application of the provisions of this agreement and other questions affecting the headquarters district, and may enter into such supplemental agreements as may be necessary to fulfill the

purposes of this agreement. In making supplemental agreements with the Secretary-General, the United States shall consult with the appropriate state and local authorities. If the Secretary-General so requests, the Secretary of State of the United States shall appoint a special representative for the purpose of liaison with the Secretary-General.

SECTION 21

(a) Any dispute between the United Nations and the United States concerning the interpretation or application of this agreement or of any supplemental agreement, which is not settled by negotiation or other agreed mode of settlement, shall be referred for final decision to a tribunal of three arbitrators, one to be named by the Secretary-General, one to be named by the Secretary of State of the United States, and the third to be chosen by the two, or, if they should fail to agree upon a third, then by the President of the International Court of Justice.

(b) The Secretary-General or the United States may ask the General Assembly to request of the International Court of Justice an advisory opinion on any legal question arising in the course of such proceedings. Pending the receipt of the opinion of the Court, an interim decision of the arbitral tribunal shall be observed on both parties. Thereafter, the arbitral tribunal shall render a final decision, having regard to the opinion of the Court.

ARTICLE IX—MISCELLANEOUS PROVISIONS

SECTION 22

(a) The United Nations shall not dispose of all or any part of the land owned by it in the headquarters district without the consent of the United States. If the United States is unwilling to consent to a disposition which the United Nations wishes to make of all or any part of such land, the United States shall buy the same from the United Nations at a price to be determined as provided in paragraph (d) of this section.

(b) If the seat of the United Nations is removed from the headquarters district, all right, title and interest of the United Nations in and to real property in the headquarters district or any part of it shall, on request of either the United Nations or the United States, be assigned and conveyed to the United States. In the absence of such request, the same shall be assigned and conveyed to the subdivision of a state in which it is located or, if such subdivision shall not desire it, then to the state in which it is located. If none of the foregoing desires the same, it may be disposed of as provided in paragraph (a) of this section.

(c) If the United Nations disposes of all or any part of the headquarters district, the provisions of other sections of this agreement which apply to the headquarters district shall immediately cease to apply to the land and buildings so disposed of.

(d) The price to be paid for any conveyance under this section shall, in default of agreement, be the then fair value of the land, buildings and installations, to be determined under the procedure provided in Section 21.

SECTION 23

The seat of the United Nations shall not be removed from the headquarters district unless the United Nations should so decide.

SECTION 24

This agreement shall cease to be in force if the seat of the United Nations is removed from the territory of the United States, except for such provisions as may be applicable in connection with the orderly termination of the operations of the United Nations at its seat in the United States and the disposition of its property therein.

SECTION 25

Whenever this agreement imposes obligations on the appropriate American authorities, the Government of the United States shall have the ultimate responsibility for the fulfillment of such obligations by the appropriate American authorities.

SECTION 26

The provisions of this agreement shall be complementary to the provisions of the General Convention. In so far as any provision of this agreement and any provisions of the General Convention relate to the same subject matter, the two provisions shall, wherever possible, be treated as complementary, so that both provisions shall be applicable and neither shall narrow the effect of the other; but in any case of absolute conflict, the provisions of this agreement shall prevail.

SECTION 27

This agreement shall be construed in the light of its primary purpose to enable the United Nations at its headquarters in the United States, fully and efficiently to discharge its responsibilities and fulfill its purposes.

SECTION 28

This agreement shall be brought into effect by an exchange of notes between the Secretary-General, duly authorized pursuant to a resolution of the General Assembly of the United Nations, and the appropriate executive officer of the United States, duly authorized pursuant to appropriate action of the Congress.

IN WITNESS WHEREOF the respective representatives have signed this Agreement and have affixed their seals hereto.

Done in duplicate, in the English and French languages, both authentic, at Lake Success the twenty-sixth day of June 1947.

For the Government of the United States of America:

G. C. MARSHALL

*Secretary of State*

For the United Nations:

TRYGVE LIE

*Secretary-General*

ANNEX 1

The area referred to in Section 1 (a) (1) consists of (a) the premises bounded on the East by the westerly side of Franklin D. Roosevelt

Drive, on the West by the easterly side of First Avenue, on the North by the southerly side of East Forty-eighth Street, and on the South by the northerly side of East Forty-second Street, all as proposed to be widened, in the Borough of Manhattan, City and State of New York, and (b) an easement over Franklin D. Roosevelt Drive, above a lower limiting plane to be fixed for the construction and maintenance of an esplanade, together with the structures thereon and foundations and columns to support the same in locations below such limiting plane, the entire area to be more definitely defined by supplemental agreement between the United Nations and the United States of America.

**ANNEX 2—MAINTENANCE OF UTILITIES AND UNDERGROUND CONSTRUCTION**

**SECTION 1**

The Secretary-General agrees to provide passes to duly authorized employees of The City of New York, the State of New York, or any of their agencies or subdivisions, for the purpose of enabling them to inspect, repair, maintain, reconstruct and relocate utilities, conduits, mains and sewers within the headquarters district.

**SECTION 2**

Underground constructions may be undertaken by The City of New York, or the State of New York, or any of their agencies or subdivisions, within the headquarters district only after consultation with the Secretary-General, and under conditions which shall not disturb the carrying out of the functions of the United Nations.

**SEC. 2.** For the purpose of carrying out the obligations of the United States under said agreement and supplemental agreements with respect to United States assurances that the United Nations shall not be dispossessed of its property in the headquarters district, and with respect to the establishment of radio facilities and the possible establishment of an airport:

(a) The President of the United States, or any official or governmental agency authorized by the President, may acquire in the name of the United States any property or interest therein by purchase, donation, or other means of transfer, or may cause proceedings to be instituted for the acquisition of the same by condemnation.

(b) Upon the request of the President, or such officer as the President may designate, the Attorney General of the United States shall cause such condemnation or other proceedings to be instituted in the name of the United States in the district court of the United States for the district in which the property is situated and such court shall have full jurisdiction of such proceedings, and any condemnation proceedings shall be conducted in accordance with the Act of August 1, 1888 (25 Stat. 357), as amended, and the Act of February 26, 1931 (46 Stat. 1421), as amended.

(c) After the institution of any such condemnation proceedings, possession of the property may be taken at any time the President, or such officer as he may designate, determines is necessary, and the court shall enter such orders as may be necessary to effect entry and occupancy of the property.

(d) The President of the United States, or any officer or governmental agency duly authorized by the President, may, in the name of the United States, transfer or convey possession of and title to any interest in any property acquired or held by the United States, pursuant to paragraph (a) above, to the United Nations on the terms provided in the agreement or in any supplemental agreement, and shall execute and deliver such conveyances and other instruments and perform such other acts in connection therewith as may be necessary to carry out the provisions of the agreement.

(e) There are authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be required to enable the United States to carry out the undertakings hereby authorized: *Provided*, That any money appropriated under this authorization shall be spent only on a basis of reimbursement by the United Nations in accordance with section 3 of the agreement, and that the money thus reimbursed shall be deposited and covered into the Treasury of the United States as miscellaneous receipts.

SEC. 3. The President, or the Secretary of State under his direction, is authorized to enter into agreements with the State of New York or any other State of the United States and to the extent not inconsistent with State law, with any one or more of the political subdivisions thereof in aid of effectuating the provisions of the agreement.

SEC. 4. Any States, or, to the extent not inconsistent with State law, any political subdivisions thereof, affected by the establishment of the headquarters of the United Nations in the United States are authorized to enter into agreements with the United Nations or with each other consistent with the agreement and for the purpose of facilitating compliance with the same: *Provided*, That, except in cases of emergency and agreements of a routine contractual character, a representative of the United States, to be appointed by the Secretary of State, may, at the discretion of the Secretary of State, participate in the negotiations, and that any such agreement entered into by such State or States or political subdivisions thereof shall be subject to approval by the Secretary of State.

SEC. 5. The President is authorized to make effective with respect to the temporary headquarters of the United Nations in the State of New York, on a provisional basis, such of the provisions of the agreement as he may deem appropriate, having due regard for the needs of the United Nations at its temporary headquarters.

SEC. 6. Nothing in the agreement shall be construed as in any way diminishing, abridging, or weakening the right of the United States to safeguard its own security and completely to control the entrance of aliens into any territory of the United States other than the headquarters district and its immediate vicinity, as to be defined and fixed in a supplementary agreement between the Government of the United States and the United Nations in pursuance of section 13 (3) (e) of the agreement, and such areas as it is reasonably necessary to traverse in transit between the same and foreign countries. Moreover, nothing in section 14 of the agreement with respect to facilitating entrance into the United States by persons who wish to visit the headquarters district and do not enjoy the right of entry provided in section 11 of the agreement shall be construed to amend or suspend in any way the immigration laws of the United States or to commit the United States in any way to effect any amendment or suspension of such laws.

## F. OTHER LEGISLATION AND DOCUMENTS

### 1. 1954 Amendment to the Merchant Marine Act of 1936

Text of Public Law 664, 83d Congress [S. 3233], 68 Stat. 832, approved August 26, 1954

AN ACT To amend the Merchant Marine Act, 1936, to provide permanent legislation for the transportation of a substantial portion of waterborne cargoes in United States-flag vessels.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 901 of the Merchant Marine Act, 1936, as amended,<sup>1</sup> is hereby amended by inserting "(a)" after "SEC. 901." and by adding at the end of the section the following new subsection:

"(b) Whenever the United States shall procure, contract for, or otherwise obtain for its own account, or shall furnish to or for the account of any foreign nation without provision for reimbursement, any equipment, materials, or commodities, within or without the United States, or shall advance funds or credits or guarantee the convertibility of foreign currencies in connection with the furnishing of such equipment, materials, or commodities, the appropriate agency or agencies shall take such steps as may be necessary and practicable to assure that at least 50 per centum of the gross tonnage of such equipment, materials, or commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) which may be transported on ocean vessels shall be transported on privately owned United States-flag commercial vessels, to the extent such vessels are available at fair and reasonable rates for United States-flag commercial vessels, in such manner as will insure a fair and reasonable participation of United States-flag commercial vessels in such cargoes by geographic areas: *Provided*, That the provisions of this subsection may be waived whenever the Congress by concurrent resolution or otherwise, or the President of the United States or the Secretary of Defense declares that an emergency exists justifying a temporary waiver of the provisions of section 901 (b) and so notifies the appropriate agency or agencies: *And provided further*, That the provisions of this subsection shall not apply to cargoes carried in the vessels of the Panama Canal Company. Nothing herein shall repeal or otherwise modify the provisions of Public Resolution Numbered 17, Seventy-third Congress (48 Stat. 500)<sup>2</sup> as amended."<sup>3</sup>

<sup>1</sup> 46 U. S. C. § 1241.

<sup>2</sup> 15 U. S. C. § 616a.

<sup>3</sup> See S. Public Law 962, 84th Cong. [S. 3903], 70 Stat. 988, approved August 3, 1956, reads as follows:

"Sales of fresh fruit and the products thereof under title I of the Act shall be exempt from the requirements of the cargo preference laws (Public Resolution 17, Seventy-third Congress (15 U. S. C. 616a) and section 901 (b) of the Merchant Marine Act, 1936 (46 U. S. C. 1241 (b)))."

## 2. Loan of Vessels to Friendly Foreign Countries

Text of Public Law 85-532, 85th Congress [S. 3506], 72 Stat. 376, approved July 18, 1958

AN ACT To authorize the transfer of naval vessels to friendly foreign countries.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding section 7307 of title 10, United States Code,<sup>1</sup> or any other law, the President may extend the loan<sup>2</sup> of one aircraft carrier to the Government of France until June 30, 1960, and may in addition lend or otherwise make available to friendly foreign nations, from the reserve fleet, on such terms and under such conditions as he deems appropriate, destroyers, destroyer escorts, and submarines, as follows: (1) North Atlantic Treaty Organization and European Area (the Federal Republic of Germany, Greece, Italy, Norway, Spain and Turkey) not to exceed nineteen ships; (2) Latin American area (Argentina, Brazil, Chile, Colombia, Cuba, Ecuador, Peru and Uruguay) not to exceed eighteen ships; (3) far eastern area (Japan, Taiwan, and Thailand) not to exceed four ships; and (4) a pool of not to exceed two such ships to be loaned to friendly nations in an emergency. The President may promulgate such rules and regulations as he deems necessary to carry out the provisions of this Act.*

SEC. 2. Loans under this Act shall be for periods not exceeding five years. All loans shall be made on the condition that they may be terminated at an earlier date if necessitated by the defense requirements of the United States.

SEC. 3. All expenses involved in the activation, rehabilitation, and outfitting, including repairs, alterations, and logistic support, of vessels transferred under this Act shall be charged to funds programmed for the recipient government under the Mutual Security Act of 1954, as amended,<sup>3</sup> or to funds provided by the recipient government under the reimbursable provisions of that Act.<sup>4</sup> In the event that a loan is terminated by the United States prior to the expiration of the loan period, the Secretary of Defense may reimburse the recipient government on a pro rata basis for funds provided by it under the reimbursable provisions of the Mutual Security Act of 1954, as amended, in connection with the loan.

SEC. 4. No vessel may be made available under this Act unless the Secretary of Defense, after consultation with the Joint Chiefs of Staff, determines that its transfer is in the best interests of the United States. The Secretary of Defense shall keep the Congress currently advised of all transfers under this Act.

SEC. 5. The authority of the President to transfer naval vessels under this Act terminates on December 31, 1960.

<sup>1</sup> 10 U. S. C. 7307 provides:

"(a) Notwithstanding any other provision of law, no battleship, aircraft carrier, cruiser, destroyer, or submarine of the Navy may be sold, transferred, or otherwise disposed of, unless the Chief of Naval Operations certifies that it is not essential to the defense of the United States.

"(b) Without authority from Congress granted after March 10, 1951, no battleship, aircraft carrier, cruiser, destroyer, or submarine that has not been stricken from the Naval Vessel Register under section 7304 of this title, nor any interest of the United States in such a vessel, may be sold, transferred, or otherwise disposed of under any law."

<sup>2</sup> See note relating to Public Law 188, 83d Congress [S. 2277], page 265.

<sup>3</sup> For text, see page 1.

<sup>4</sup> See sec. 522 (c), Mutual Security Act of 1954, as amended, pages 44-45.

LOAN OF VESSELS TO ITALY, FRANCE, AND NATIONS IN  
THE FAR EASTERN OR EUROPEAN AREAS

NOTE.—Public Law 188, 83d Congress, 67 Stat. 363, approved August 5, 1953, as amended by Public Law 168, 84th Congress, 69 Stat. 373, approved July 26, 1955, and Public Law 948, 84th Congress, 70 Stat. 967, approved August 3, 1956, authorized the President: (1) to lend two submarines to the Government of Italy for a period of not more than five years; (2) to lend a small aircraft carrier to the Government of France until June 30, 1958; and (3) prior to December 31, 1957, to lend twenty-five naval vessels, not larger than the destroyer type, to friendly nations in the Far Eastern or European area. It also provided that all expenses involved in the activation and repair of the vessels "shall be charged to funds programmed for the recipient Governments under the Mutual Security Act of 1954, as amended, or provided by the recipient Governments under reimbursable provisions of such Act."

SUBMARINES—LOAN TO GOVERNMENT OF BRAZIL

NOTE.—Public Law 484, 84th Congress, 70 Stat. 105, approved April 6, 1956, authorized the loan of two submarines to the Government of Brazil. It reads as follows:

"The President is authorized to lend two submarines to the Government of Brazil for a period of not more than five years and may, in his discretion, extend the loan for an additional period of not more than five years. The President shall, prior to the delivery of the submarines to the Government of Brazil, conclude an agreement with the Government providing for the return of the submarines in accordance with the provisions of this Act and in substantially the same condition as when loaned. All expenses involved in the activation of the submarines, including repairs, alterations, outfitting, and logistic support shall be charged to funds programmed for the Brazilian Government under the Mutual Security Act."

TRANSFER OF VESSELS TO VENEZUELA AND  
THE NETHERLANDS

NOTE.—Public Law 220, 85th Congress, 71 Stat. 495, approved August 29, 1957, authorized the sale of three destroyers and one submarine to the Government of Venezuela and the extension of the loan of two submarines to the Government of the Netherlands for a period not to exceed five years. It also provides that all expenses involved in the activation and repair of vessels transferred under this Act shall be charged to funds "programmed for the recipient government under the Mutual Security Act of 1954, as amended, or to funds provided by the recipient government under the reimbursable provisions of that Act."

**3. Legislative Reorganization Act of 1946, as amended**

**Text of Public Law 601, 79th Congress [S. 2177], approved August 2, 1946**

**AN ACT To provide for increased efficiency in the legislative branch of the Government.**

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SHORT TITLE**

That (a) this Act, divided into titles and sections according to the following table of contents, may be cited as the "Legislative Reorganization Act of 1946":

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**TITLE I—CHANGES IN RULES OF SENATE AND HOUSE**  
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**PART 1—STANDING RULES OF THE SENATE**

**Sec. 102. Standing committees of the Senate.**  
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Committee on Banking and Currency.  
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**PART 2—RULES OF THE HOUSE OF REPRESENTATIVES**

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Committee on Banking and Currency.  
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Committee on Foreign Affairs.  
Committee on Government Operations [formerly Expenditures in the Executive Departments].  
Committee on House Administration.  
Committee on Interior and Insular Affairs [formerly Public Lands].  
Committee on Interstate and Foreign Commerce.

Committee on the Judiciary.  
Committee on Merchant Marine and Fisheries.  
Committee on Post Office and Civil Service.  
Committee on Public Works.  
Committee on Rules.  
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Sec. 303. Detailed accounts of contributions.  
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**TITLE IV—FEDERAL TORT CLAIMS ACT**

[Omitted]

**TITLE V—GENERAL BRIDGE ACT**

[Omitted]

**TITLE VI—COMPENSATION AND RETIREMENT PAY OF MEMBERS OF CONGRESS**

Sec. 601. Compensation of Members of Congress.

Sec. 602. Retirement pay of Members of Congress.

**SEPARABILITY CLAUSE**

(b) If any provision of this Act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

**TITLE I—CHANGES IN RULES OF SENATE AND HOUSE**

**RULE-MAKING POWER OF THE SENATE AND HOUSE**

SEC. 101. The following sections of this title are enacted by the Congress:

(a) As an exercise of the rule-making power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply; and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(b) With full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

**PART 1—STANDING RULES OF THE SENATE**

**STANDING COMMITTEES OF THE SENATE<sup>1</sup>**

SEC. 102. Rule XXV of the Standing Rules of the Senate is amended to read as follows:

<sup>1</sup> The Select Committee on Small Business was created on February 20, 1950, by S. Res. 58, 81st Cong. It is authorized " \* \* \* to study and survey by means of research and investigation all problems of American small business enterprises and to obtain all facts possible in relation thereto which would \* \* \* aid the Congress in enacting remedial legislation, and to report to the Senate from time to time the results of such studies and surveys." It has no authority to receive or report legislation.

The Joint Committee on Atomic Energy was created by the act of August 1, 1946 (Public Law 585, 79th Cong.). It is composed of 9 Members of the Senate, appointed by the President of the Senate, and 9 Members of the House, appointed by the Speaker. It is authorized to "make continuing studies of the activities of the Atomic Energy Commission and of problems relating to the development, use, or control of atomic energy \* \* \*," and to make recommendations to their respective Houses from time to time. S. Res. 63, 80th Cong., vested in the Senate members of the joint committee the same "powers and authority in connection with the holding of hearings and the conduct of investigations and reporting to the Senate thereon, with reference to appointments under \* \* \* Public Law 585, 79th Cong., that require the advice and consent of the Senate, as are possessed by the standing committees of the Senate in other matters requiring the advice and consent of the Senate."

Although these committees are not standing committees, they are noted here because they are vested with some of the powers of standing committees.

**"RULE XXV**

**"STANDING COMMITTEES**

"(1) The following standing committees shall be appointed at the commencement of each Congress, with leave to report by bill or otherwise:

"(a) **Committee on Agriculture and Forestry**, to consist of fifteen<sup>2</sup> Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

- "1. Agriculture generally.
- "2. Inspection of livestock and meat products.
- "3. Animal industry and diseases of animals.
- "4. Adulteration of seeds, insect pests, and protection of birds and animals in forest reserves.
- "5. Agricultural colleges and experiment stations.
- "6. Forestry in general, and forest reserves other than those created from the public domain.
- "7. Agricultural economics and research.
- "8. Agricultural and industrial chemistry.
- "9. Dairy industry.
- "10. Entomology and plant quarantine.
- "11. Human nutrition and home economics.
- "12. Plant industry, soils, and agricultural engineering.
- "13. Agricultural educational extension services.
- "14. Extension of farm credit and farm security.
- "15. Rural electrification.
- "16. Agricultural production and marketing and stabilization of prices of agricultural products.
- "17. Crop insurance and soil conservation.

"(b) **Committee on Appropriations**, to consist of twenty-three<sup>3</sup> Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Appropriation of the revenue for the support of the Government.

"(c) **Committee on Armed Services**, to consist of fifteen<sup>4</sup> Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

- "1. Common defense generally.
- "2. The Department of the Army and the Department of Defense generally.<sup>5</sup>
- "3. The Department of the Navy and the Department of the Air Force.<sup>5</sup>
- "4. Soldiers' and sailors' homes.
- "5. Pay, promotion, retirement, and other benefits and privileges of members of the armed forces.

<sup>2</sup> Number increased from "thirteen" by S. Res. 18, 83d Cong.

<sup>3</sup> Number increased from "twenty-one" by S. Res. 18, 83d Cong.

<sup>4</sup> Number increased from "thirteen" by S. Res. 18, 83d Cong.

<sup>5</sup> Public Law 253, 80th Congress, changed the name "War Department" to "Department of the Army," and the term "Military Establishment" to "National Military Establishment," which includes the Departments of the Army, Navy, and Air Force. Public Law 216, 81st Congress, established the Department of Defense as successor to the National Military Establishment.

- "6. Selective service.
  - "7. Size and composition of the Army and Navy.
  - "8. Forts, arsenals, military reservations, and navy yards.
  - "9. Ammunition depots.
  - "10. Maintenance and operation of the Panama Canal, including the administration, sanitation, and government of the Canal Zone.
  - "11. Conservation, development, and use of naval petroleum and oil shale reserves.
  - "12. Strategic and critical materials necessary for the common defense.
  - "13.<sup>5a</sup> Aeronautical and space activities peculiar to or primarily associated with the development of weapons systems or military operations.
- "(d) **Committee on Banking and Currency**, to consist of fifteen<sup>6</sup> Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:
- "1. Banking and currency generally.
  - "2. Financial aid to commerce and industry, other than matters relating to such aid which are specifically assigned to other committees under this rule.
  - "3. Deposit insurance.
  - "4. Public and private housing.
  - "5. Federal Reserve System.
  - "6. Gold and silver, including the coinage thereof.
  - "7. Issuance of notes and redemption thereof.
  - "8. Valuation and revaluation of the dollar.
  - "9. Control of prices of commodities, rents, or services.
- "(e) **Committee on Post Office and Civil Service**,<sup>7</sup> to consist of thirteen<sup>8</sup> Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:
- "1. The Federal civil service generally.
  - "2. The status of officers and employees of the United States, including their compensation, classification, and retirement.
  - "3. The postal service generally, including the railway mail service, and measures relating to ocean mail and pneumatic-tube service; but excluding post roads.
  - "4. Postal-savings banks.
  - "5. Census and the collection of statistics generally.
  - "6. The National Archives.
- "(f) **Committee on the District of Columbia**, to consist of nine<sup>9</sup> Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:
- "1. All measures relating to the municipal affairs of the District of Columbia in general, other than appropriations therefor, including—
  - "2. Public health and safety, sanitation, and quarantine regulations.
  - "3. Regulation of sale of intoxicating liquors.
  - "4. Adulteration of food and drugs.
  - "5. Taxes and tax sales.

<sup>5a</sup> Added by S. Res. 327, 85th Congress.

<sup>6</sup> Number increased from "thirteen" by S. Res. 18, 83d Congress.

<sup>7</sup> Name changed from "Committee on Civil Service" by S. Res. 99, 80th Congress.

<sup>8</sup> Number changed from "eleven" to "thirteen" for the 85th Congress, by S. Res. 27, 85th Congress.

<sup>9</sup> Number reduced from "thirteen" by S. Res. 18, 83d Congress.

- "6. Insurance, executors, administrators, wills, and divorce.
- "7. Municipal and juvenile courts.
- "8. Incorporation and organization of societies.
- "9. Municipal code and amendments to the criminal and corporation laws.
- "(g) (1) **Committee on Government Operations**,<sup>10</sup> to consist of thirteen Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:
  - "(A) Budget and accounting measures, other than appropriations.
  - "(B) Reorganizations in the executive branch of the Government.
- "(2) Such committee shall have the duty of—
  - "(A) receiving and examining reports of the Comptroller General of the United States and of submitting such recommendations to the Senate as it deems necessary or desirable in connection with the subject matter of such reports;
  - "(B) studying the operation of Government activities at all levels with a view to determining its economy and efficiency;
  - "(C) evaluating the effects of laws enacted to reorganize the legislative and executive branches of the Government;
  - "(D) studying intergovernmental relationships between the United States and the States and municipalities, and between the United States and international organizations of which the United States is a member.
- "(h) **Committee on Finance**, to consist of fifteen<sup>11</sup> Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:
  - "1. Revenue measures generally.
  - "2. The bonded debt of the United States.
  - "3. The deposit of public moneys.
  - "4. Customs, collection districts, and ports of entry and delivery.
  - "5. Reciprocal trade agreements.
  - "6. Transportation of dutiable goods.
  - "7. Revenue measures relating to the insular possessions.
  - "8. Tariffs and import quotas, and matters related thereto.
  - "9. National social security.
  - "10. Veterans' measures generally.
  - "11. Pensions of all the wars of the United States, general and special.
  - "12. Life insurance issued by the Government on account of service in the armed forces.
  - "13. Compensation of veterans.
- "(i) **Committee on Foreign Relations**, to consist of fifteen<sup>12</sup> Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:
  - "1. Relations of the United States with foreign nations generally.
  - "2. Treaties.

<sup>10</sup> Name changed from "Committee on Expenditures in the Government Departments" by S. Res. 280, 82d Congress.  
<sup>11</sup> Number increased from "thirteen" by S. Res. 18, 83d Congress.  
<sup>12</sup> Number increased from "thirteen" by S. Res. 18, 83d Congress.

"3. Establishment of boundary lines between the United States and foreign nations.

"4. Protection of American citizens abroad and expatriation.

"5. Neutrality.

"6. International conferences and congresses.

"7. The American National Red Cross.

"8. Intervention abroad and declarations of war.

"9. Measures relating to the diplomatic service.

"10. Acquisition of land and buildings for embassies and legations in foreign countries.

"11. Measures to foster commercial intercourse with foreign nations and to safeguard American business interests abroad.

"12. United Nations Organization and international financial and monetary organizations.

"13. Foreign loans.

"(j) **Committee on Interstate and Foreign Commerce**, to consist of fifteen <sup>13</sup> Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Interstate and foreign commerce generally.

"2. Regulation of interstate railroads, busses, trucks, and pipelines.

"3. Communication by telephone, telegraph, radio, and television.

"4. Civil aeronautics,<sup>14</sup> except aeronautical and space activities of the National Aeronautics and Space Administration.

"5. Merchant marine generally.

"6. Registering and licensing of vessels and small boats.

"7. Navigation and the laws relating thereto, including pilotage.

"8. Rules and international arrangements to prevent collisions at sea.

"9. Merchant marine officers and seamen.

"10. Measures relating to the regulation of common carriers by water and to the inspection of merchant marine vessels, lights and signals, life-saving equipment, and fire protection on such vessels.

"11. Coast and Geodetic Survey.

"12. The Coast Guard, including life-saving service, lighthouses, lightships, and ocean derelicts.

"13. The United States Coast Guard and Merchant Marine Academies.

"14. Weather Bureau.

"15. Except as provided in paragraph (c), the Panama Canal and interoceanic canals generally.

"16. Inland waterways.

"17. Fisheries and wildlife, including research, restoration, refuges, and conservation.

"18. Bureau of Standards including standardization of weights and measures and the metric system.

"(k) **Committee on the Judiciary**, to consist of fifteen <sup>15</sup> Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Judicial proceedings, civil and criminal, generally.

"2. Constitutional amendments.

<sup>13</sup> Number increased from "thirteen" by S. Res. 18, 83d Congress.

<sup>14</sup> Clause after "Civil aeronautics," added by S. Res. 327, 85th Congress.

<sup>15</sup> Number increased from "thirteen" by S. Res. 18, 83d Congress.

- "3. Federal courts and judges.
- "4. Local courts in the Territories and possessions.
- "5. Revision and codification of the statutes of the United States.
- "6. National penitentiaries.
- "7. Protection of trade and commerce against unlawful restraints and monopolies.
- "8. Holidays and celebrations.
- "9. Bankruptcy, mutiny, espionage, and counterfeiting.
- "10. State and Territorial boundary lines.
- "11. Meetings of Congress, attendance of Members, and their acceptance of incompatible offices.
- "12. Civil liberties.
- "13. Patents, copyrights, and trademarks.
- "14. Patent Office.
- "15. Immigration and naturalization.
- "16. Apportionment of Representatives.
- "17. Measures relating to claims against the United States.
- "18. Interstate compacts generally.
  - "(1) **Committee on Labor and Public Welfare**, to consist of thirteen Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:
    - "1. Measures relating to education, labor, or public welfare generally.
    - "2. Mediation and arbitration of labor disputes.
    - "3. Wages and hours of labor.
    - "4. Convict labor and the entry of goods made by convicts into interstate commerce.
    - "5. Regulation or prevention of importation of foreign laborers under contract.
    - "6. Child labor.
    - "7. Labor statistics.
    - "8. Labor standards.
    - "9. School-lunch program.
    - "10. Vocational rehabilitation.
    - "11. Railroad labor and railroad retirement and unemployment, except revenue measures relating thereto.
    - "12. United States Employees' Compensation Commission.
    - "13. Columbia Institution for the Deaf, Dumb, and Blind; Howard University; Freedmen's Hospital; and Saint Elizabeths Hospital.
    - "14. Public health and quarantine.
    - "15. Welfare of miners.
    - "16. Vocational rehabilitation and education of veterans.
    - "17. Veterans' hospitals, medical care and treatment of veterans.
    - "18. Soldiers' and Sailors' civil relief.
    - "19. Readjustment of servicemen to civil life.
  - "(m) **Committee on Interior and Insular Affairs**,<sup>16</sup> to consist of fifteen<sup>17</sup> Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:
    - "1. Public lands generally, including entry, easements, and grazing thereon.

<sup>16</sup> Name changed from "Committee on Public Lands" by S. Res. 179, 80th Congress.

<sup>17</sup> Number increased from "thirteen" by S. Res. 18, 83d Congress.

- "2. Mineral resources of the public lands.
  - "3. Forfeiture of land grants and alien ownership, including alien ownership of mineral lands.
  - "4. Forest reserves and national parks created from the public domain.
  - "5. Military parks and battlefields, and national cemeteries.
  - "6. Preservation of prehistoric ruins and objects of interest on the public domain.
  - "7. Measures relating generally to Hawaii, Alaska, and the insular possessions of the United States, except those affecting their revenue and appropriations.
  - "8. Irrigation and reclamation, including water supply for reclamation projects, and easements of public lands for irrigation projects.
  - "9. Interstate compacts relating to apportionment of waters for irrigation purposes.
  - "10. Mining interests generally.
  - "11. Mineral land laws and claims and entries thereunder.
  - "12. Geological survey.
  - "13. Mining schools and experimental stations.
  - "14. Petroleum conservation and conservation of the radium supply in the United States.
  - "15. Relations of the United States with the Indians and the Indian tribes.
  - "16. Measures relating to the care, education, and management of Indians, including the care and allotment of Indian lands and general and special measures relating to claims which are paid out of Indian funds.
- "(n) **The Committee on Public Works**, to consist of thirteen<sup>18</sup> Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:
- "1. Flood control and improvement of rivers and harbors.
  - "2. Public works for the benefit of navigation, and bridges and dams (other than international bridges and dams).
  - "3. Water power.
  - "4. Oil and other pollution of navigable waters.
  - "5. Public buildings and occupied or improved grounds of the United States generally.
  - "6. Measures relating to the purchase of sites and construction of post offices, customhouses, Federal courthouses, and Government buildings within the District of Columbia.
  - "7. Measures relating to the Capitol building and the Senate and House Office Buildings.
  - "8. Measures relating to the construction or reconstruction, maintenance, and care of the buildings and grounds of the Botanic Gardens, the Library of Congress, and the Smithsonian Institution.
  - "9. Public reservations and parks within the District of Columbia, including Rock Creek Park and the Zoological Park.
  - "10. Measures relating to the construction or maintenance of roads and post roads.
- "(o) (1) **Committee on Rules and Administration**, to consist of nine<sup>19</sup> Senators, to which committee shall be referred all proposed

<sup>18</sup> Number changed from "eleven" to "thirteen" for the 85th Congress, by S. Res. 27, 85th Congress. Number reduced from "thirteen" by S. Res. 18, 83d Congress; 13 Senators were named for 85th Congress. See Congressional Record, January 9, 1957, p. 375.

<sup>19</sup> Number reduced from "thirteen" by S. Res. 18, 83d Congress.

legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"(A) Matters relating to the payment of money out of the contingent fund of the Senate or creating a charge upon the same; except that any resolution relating to substantive matter within the jurisdiction of any other standing committee of the Senate shall be first referred to such committee.

"(B) Except as provided in paragraph (n) 8, matters relating to the Library of Congress and the Senate Library; statuary and pictures; acceptance or purchase of works of art for the Capitol; the Botanic Gardens; management of the Library of Congress; purchase of books and manuscripts; erection of monuments to the memory of individuals.

"(C) Except as provided in paragraph (n) 8, matters relating to the Smithsonian Institution and the incorporation of similar institutions.

"(D) Matters relating to the election of the President, Vice President, or Members of Congress; corrupt practices; contested elections; credentials and qualifications; Federal elections generally; Presidential succession.

"(E) Matters relating to parliamentary rules; floor and gallery rules; Senate Restaurant; administration of the Senate Office Building and of the Senate Wing of the Capitol; assignment of office space; and services to the Senate.

"(F) Matters relating to printing and correction of the Congressional Record.

"(2)<sup>20</sup> Such committee shall also have the duty of assigning office space in the Senate Wing of the Capitol and in the Senate Office Building.

"(p)<sup>21</sup> (1) **Committee on Aeronautical and Space Sciences**, to consist of fifteen Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating primarily to the following subjects:

"(A) Aeronautical and space activities, as that term is defined in the National Aeronautics and Space Act of 1958, except those which are peculiar to or primarily associated with the development of weapons systems or military operations.

"(B) Matters relating generally to the scientific aspects of such aeronautical and space activities, except those which are peculiar to or primarily associated with the developments of weapons systems or military operations.

"(C) National Aeronautics and Space Administration.

"(2) Such committee also shall have jurisdiction to survey and review, and to prepare studies and reports upon, aeronautical and space activities of all agencies of the United States, including such activities which are peculiar to or primarily associated with the development of weapons systems or military operations.

<sup>20</sup> S. Res. 55, 80th Congress, struck out the sentence which read:

"Such committee shall also have the duty of examining all bills, amendments, and joint resolutions after passage by the Senate; and, in cooperation with the Committee on House Administration of the House of Representatives, of examining all bills and joint resolutions which shall have passed both Houses, to see that the same are correctly enrolled; and when signed by the Speaker of the House and the President of the Senate, shall forthwith present the same, when they shall have originated in the Senate, to the President of the United States in person, and report the fact and date of such presentation to the Senate."

and transferred this authority to the Secretary of the Senate by an amendment to rule XIV.

<sup>21</sup> Added by S. Res. 827, 85th Congress.

"(3)<sup>22</sup> Each standing committee shall continue and have the power to act until their successors are appointed.

"(3)<sup>23</sup> (a) Except as provided in paragraph (b) of this subsection, each standing committee and each subcommittee of any such committee is authorized to fix the number of its members (but not less than one-third of its entire membership) who shall constitute a quorum thereof for the transaction of such business as may be considered by said committee, subject to the provisions of section 133 (d) of the Legislative Reorganization Act of 1946.

"(b) Each standing committee, and each subcommittee of any such committee, is authorized to fix a lesser number than one-third of its entire membership who shall constitute a quorum thereof for the purpose of taking sworn testimony.

"(4) Each Senator shall serve on two standing committees and no more; except that not to exceed twenty-two<sup>24</sup> Senators of the majority party, and not to exceed ten Senators of the minority party, who are members of the Committee on the District of Columbia, the Committee on Government Operations, the Committee on Post Office and Civil Service, or the Committee on Aeronautical and Space Sciences may serve on three standing committees and no more."

#### APPROPRIATIONS

SEC. 103. Rule XVI of the Standing Rules of the Senate is amended to read as follows:

#### "RULE XVI

##### "AMENDMENTS TO APPROPRIATIONS BILLS

"1. All general appropriation bills shall be referred to the Committee on Appropriations, and no amendments shall be received to any general appropriation bill the effect of which will be to increase an appropriation already contained in the bill, or to add a new item of appropriation, unless it be made to carry out the provisions of some existing law, or treaty stipulation, or act, or resolution previously passed by the Senate during that session; or unless the same be moved by direction of a standing or select committee of the Senate, or proposed in pursuance of an estimate submitted in accordance with law.

"2. The Committee on Appropriations shall not report an appropriation bill containing amendments proposing new or general legislation or any restriction on the expenditure of the funds appropriated which proposes a limitation not authorized by law if such restriction is to take effect or cease to be effective upon the happening of a contingency, and if an appropriation bill is reported to the Senate containing amendments proposing new or general legislation or any such restriction, a point of order may be made against the bill, and if the point is sustained, the bill shall be recommitted to the Committee on Appropriations.

<sup>22</sup> Erroneously numbered in original act.

<sup>23</sup> This paragraph was amended by S. Res. 180, 81st Congress which inserted:  
(a) Except as provided in paragraph (b) of this subsection, \* \* \* and each subcommittee of any such committee

and  
(b) Each standing committee, and each subcommittee of any such committee, is authorized to fix a lesser number than one-third of its entire membership who shall constitute a quorum thereof for the purpose of taking sworn testimony.

<sup>24</sup> Paragraph (4) was amended to read in its present form, effective at the beginning of the 86th Congress, by S. Res. 327, 85th Congress.

"3. All amendments to general appropriation bills moved by direction of a standing or select committee of the Senate, proposing to increase an appropriation already contained in the bill, or to add new items of appropriation, shall, at least one day before they are considered, be referred to the Committee on Appropriations, and when actually proposed to the bill no amendment proposing to increase the amount stated in such amendments shall be received; in like manner, amendments proposing new items of appropriation to river and harbor bills, establishing post roads, or proposing new post roads, shall, before being considered, be referred to the Committee on Public Works.

"4. No amendment which proposes general legislation shall be received to any general appropriation bill, nor shall any amendment not germane or relevant to the subject matter contained in the bill be received; nor shall any amendment to any item or clause of such bill be received which does not directly relate thereto; nor shall any restriction on the expenditure of the funds appropriated which proposes a limitation not authorized by law be received if such restriction is to take effect or cease to be effective upon the happening of a contingency; and all questions of relevancy of amendments under this rule, when raised, shall be submitted to the Senate and be decided without debate; and any such amendment or restriction to a general appropriation bill may be laid on the table without prejudice to the bill.

"5. No amendment, the object of which is to provide for a private claim, shall be received to any general appropriation bill, unless it be to carry out the provisions of an existing law or a treaty stipulation, which shall be cited on the face of the amendment.

"6. (a) Three members of the following-named committees, to be selected by their respective committees, shall be ex officio members of the Committee on Appropriations, to serve on said committee when the annual appropriation bill making appropriations for the purposes specified in the following table opposite the name of the committee is being considered by the Committee on Appropriations:

Name of Committee	Purpose of Appropriation
Committee on Agriculture and Forestry.	For the Department of Agriculture.
Committee on Post Office and Civil Service. <sup>25</sup>	For the Post Office Department.
Committee on Armed Services-----	For the Department of War; for the Department of the Navy.
Committee on the District of Columbia-----	For the District of Columbia.
Committee on Public Works-----	For Rivers and Harbors.
Committee on Foreign Relations-----	For the Diplomatic and Consular Service.
Senate Members of the Joint Committee on Atomic Energy (to be selected by said members). <sup>26</sup>	For the development and utilization of atomic energy.
Committee on Aeronautical and Space Sciences. <sup>27</sup>	For aeronautical and space activities and matters relating to the scientific aspects thereof, except those peculiar to or primarily associated with the development of weapons systems or military operations.

"(b) At least one member of each committee enumerated in subparagraph (a), to be selected by his or their respective committees, shall be a member of any conference committee appointed to confer

<sup>25</sup> Name changed from Committee on Civil Service by S. Res. 99, 80th Congress.

<sup>26</sup> Added by S. Res. 28, 82d Congress.

<sup>27</sup> Added by S. Res. 327, 85th Congress.

with the House upon the annual appropriation bill making appropriations for the purposes specified in the foregoing table opposite the name of his or their respective committee.

"7. When a point of order is made against any restriction on the expenditure of funds appropriated in a general appropriation bill on the ground that the restriction violates this rule, the rule shall be construed strictly and, in case of doubt, in favor of the point of order."

PART 2—RULES OF THE HOUSE OF REPRESENTATIVES

STANDING COMMITTEES OF THE HOUSE OF REPRESENTATIVES

SEC. 121. (a) Rule X of the Rules of the House of Representatives is amended to read as follows:

**"RULE X**

"**STANDING COMMITTEES**<sup>28</sup>

"1.<sup>29</sup> There shall be elected by the House, at the commencement of each Congress, the following standing committees:

"(a) Committee on Agriculture to consist of twenty-seven<sup>30</sup> Members.

"(b) Committee on Appropriations, to consist of forty-three<sup>31</sup> Members.

"(c) Committee on Armed Services, to consist of thirty-three<sup>32</sup> Members.

"(d) Committee on Banking and Currency, to consist of twenty-seven<sup>33</sup> Members.

"(e)<sup>34</sup> Committee on District of Columbia, to consist of twenty-five Members.

"(f) Committee on Education and Labor to consist of twenty-five<sup>35</sup> Members.

"(g)<sup>36</sup> Committee on Foreign Affairs to consist of twenty-five<sup>37</sup> Members.

"(h) Committee on Government Operations,<sup>38</sup> to consist of twenty-five<sup>39</sup> Members.

"(i) Committee on House Administration, to consist of twenty-five Members.

"(j) Committee on Interior and Insular Affairs, to consist of twenty-seven<sup>40</sup> Members.

<sup>28</sup> The membership of the standing committees is governed by H. Res. 5, 83d Congress. Temporary increases are made from time to time for the duration of specific Congresses; such increases for the 85th Congress appear as footnotes to the committees affected.

<sup>29</sup> Subsections have been redesignated to conform to House Rule X, as adopted at the beginning of the 83d Congress by H. Res. 5.

<sup>30</sup> Number increased to 34 for the 85th Congress by H. Res. 89.

<sup>31</sup> Number increased to 60 for the 85th Congress by H. Res. 11.

<sup>32</sup> Number increased to 37 for the 85th Congress by H. Res. 89.

<sup>33</sup> Number increased to 30 for the 85th Congress by H. Res. 89.

<sup>34</sup> The Committee on Post Office and Civil Service had appeared at this point, as originally enacted. It was placed in its proper alphabetical position, as subsection (n) of House Rule X adopted January 3, 1953 (see H. Res. 5, 83d Cong.).

<sup>35</sup> Number increased to 30 for the 85th Congress by H. Res. 89.

<sup>36</sup> The Committee on Expenditures in the Executive Departments had appeared at this point, as originally enacted. The name has been changed to "Committee on Government Operations" by H. Res. 647, 82d Congress, and now appears in its proper alphabetical position as subsection (h) of rule X, adopted January 3, 1953 (see H. Res. 5, 83d Cong.).

<sup>37</sup> Number increased from "twenty-nine" by H. Res. 89, 85th Congress.

<sup>38</sup> See *supra*, note 36.

<sup>39</sup> Number increased from "twenty-five" by H. Res. 98, 83d Congress.

<sup>40</sup> The name of this committee was changed from "Committee on Public Lands" by H. Res. 100, 82d Congress. It is here carried in its proper alphabetical position as subsec. (j) of rule X by H. Res. 5, 83d Congress. Its membership has been increased from "twenty-seven" by H. Res. 89, 85th Congress.

"(k) Committee on Interstate and Foreign Commerce, to consist of twenty-seven<sup>41</sup> Members.

"(l) Committee on the Judiciary to consist of twenty-seven<sup>42</sup> Members.

"(m) Committee on Merchant Marine and Fisheries, to consist of twenty-five<sup>43</sup> Members.

"(n) Committee on Post Office and Civil Service,<sup>44</sup> to consist of twenty-five Members.

"(o)<sup>45</sup> Committee on Public Works to consist of twenty-seven<sup>46</sup> Members.

"(p) Committee on Rules to consist of twelve Members.

"(q)<sup>47</sup> Committee on Science and Astronautics, to consist of twenty-five Members.

"(r) Committee on Un-American Activities, to consist of nine Members.

"(s) Committee on Veterans' Affairs, to consist of twenty-seven Members.

"(t) Committee on Ways and Means, to consist of twenty-five Members.

"(2) The Speaker shall appoint all select and conference committees which shall be ordered by the House from time to time.

"(3) At the commencement of each Congress, the House shall elect as chairman of each standing committee one of the Members thereof; in the temporary absence of the chairman, the Member next in rank in the order named in the election of the committee, and so on, as often as the case shall happen, shall act as chairman; and in case of a permanent vacancy in the chairmanship of any such committee the House shall elect another chairman.

"(4) All vacancies in standing committees in the House shall be filled by election by the House."<sup>48</sup>

(b) Rule XI of the Rules of the House of Representatives is amended to read as follows:

## "RULE XI

### "POWERS AND DUTIES OF COMMITTEES

"All proposed legislation, messages, petitions, memorials, and other matters relating to the subjects listed under the standing committees named below shall be referred to such committees, respectively:<sup>49</sup>

<sup>41</sup> Number increased from "thirty-one" by H. Res. 89, 85th Congress.

<sup>42</sup> Number increased from "thirty" by H. Res. 89, 85th Congress.

<sup>43</sup> Number increased from "twenty-nine" by H. Res. 89, 85th Congress.

<sup>44</sup> See *supra*, note 34.

<sup>45</sup> See *supra*, note 40.

<sup>46</sup> Number increased from "twenty-nine" by H. Res. 89, 85th Congress.

<sup>47</sup> H. Res. 580, 85th Congress, added new "(q)," "(r)," and "(s)" to read "(r)," "(s)," and "(t)."

<sup>48</sup> H. Res. 68, 83d Congress, restated clause 4, omitting the sentence which had been included in the Act, which read: "Each Member shall be elected to serve on one standing committee and no more; except that Members who are elected to serve on the Committee on the District of Columbia or on the Committee on Un-American Activities may be elected to serve on two standing committees and no more, and Members of the majority party who are elected to serve on the Committee on Expenditures in the Executive Departments [now Government Operations] or on the Committee on House Administration may be elected to serve on two standing committees and no more."

<sup>49</sup> H. Res. 5, 83d Congress, struck out a proviso which had appeared in the Act, which read: "Provided, That unless otherwise provided herein, any matter within the jurisdiction of a standing committee prior to January 2, 1947, shall remain subject to the jurisdiction of that committee or of the consolidated committee succeeding generally to the jurisdiction of that committee."

"1. Committee on Agriculture.<sup>50</sup>

- "(a) Adulteration of seeds, insect pests, and protection of birds and animals in forest reserves.
- "(b) Agriculture generally.
- "(c) Agricultural and industrial chemistry.
- "(d) Agricultural colleges and experimental stations.
- "(e) Agricultural economics and research.
- "(f) Agricultural education extension service.
- "(g) Agricultural production and marketing and stabilization of prices of agricultural products.
- "(h) Animal industry and diseases of animals.
- "(i) Crop insurance and soil conservation.
- "(j) Dairy industry.
- "(k) Entomology and plant quarantine.
- "(l) Extension of farm credit and farm security.
- "(m) Forestry in general, and forest reserves other than those created from the public domain.
- "(n) Human nutrition and home economics.
- "(o) Inspection of livestock and meat products.
- "(p) Plant industry, soils, and agricultural engineering.
- "(q) Rural electrification.

"2. Committee on Appropriations.

- "(a) Appropriation of the revenue for the support of the Government.

"(b)<sup>51</sup> The committee is authorized, acting as a whole or by any subcommittee thereof appointed by the chairman for the purposes hereof and in accordance with procedures authorized by the committee by a majority vote, to conduct studies and examinations of the organization and operation of any executive department or other executive agency (including any agency the majority of the stock of which is owned by the Government of the United States) as it may deem necessary to assist it in the determination of matters within its jurisdiction; and for this purpose the committee or any subcommittee thereof is authorized to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses, and the production of such books or papers or documents or vouchers by sub-pena or otherwise, and to take such testimony and records as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or subcommittee, or by any person designated by him, and shall be served by such person or persons as the chairman of the committee or subcommittee may designate. The chairman of the committee or subcommittee, or any member thereof, may administer oaths to witnesses.

"3. Committee on Armed Services.<sup>52</sup>

- "(a) Common defense generally.

<sup>50</sup> The items as set forth in the Act were rearranged and renumbered to conform to the alphabetical order contained in House rule XI, adopted on January 3, 1958, by H. Res. 5, 85th Congress.

<sup>51</sup> This subsection was inserted by H. Res. 5, 85th Congress, which adopted the rules for that Congress. It is substantially identical with part of sec. 202 (b) of the act. See page 296.

<sup>52</sup> Unless otherwise noted, the changes in the renumbering and rearrangement of the order of the items reflect the changes made by H. Res. 5, 85th Congress, upon adoption of rule XI on January 3, 1958.

- "(b) The Department of Defense generally, including the Departments of the Army, Navy, and Air Force generally.<sup>53</sup>
  - "(c) Ammunition depots; forts; arsenals; Army, Navy and Air Force reservations and establishments.<sup>54</sup>
  - "(d) Conservation, development, and use of naval petroleum and oil shale reserves.
  - "(e) Pay, promotion, retirement, and other benefits and privileges of members of the armed forces.
  - "(f) Scientific research and development in support of the armed services.
  - "(g) Selective service.
  - "(h) Size and composition of the Army, Navy and Air Force.<sup>55</sup>
  - "(i) Soldiers' and sailors' homes.
  - "(j) Strategic and critical materials necessary for the common defense.
- "4. Committee on Banking and Currency.<sup>56</sup>**
- "(a) Banking and currency generally.
  - "(b) Control of prices of commodities, rents, or services.
  - "(c) Deposit insurance.
  - "(d) Federal Reserve System.
  - "(e) Financial aid to commerce and industry, other than matters relating to such aid which are specifically assigned to other committees under this rule.
  - "(f) Gold and silver, including the coinage thereof.
  - "(g) Issuance of notes and redemption thereof.
  - "(h) Public and private housing.
  - "(i) Valuation and revaluation of the dollar.
  - "<sup>(57)</sup>
- "5. Committee on the District of Columbia.<sup>58</sup>**
- "(a) All measures relating to the municipal affairs of the District of Columbia in general, other than appropriations therefor, including—
  - "(b) Adulteration of food and drugs.
  - "(c) Incorporation and organization of societies.
  - "(d) Insurance, executors, administrators, wills, and divorce.
  - "(e) Municipal code and amendments to the criminal and corporation laws.
  - "(f) Municipal and juvenile courts.
  - "(g) Public health and safety, sanitation, and quarantine regulations.
  - "(h) Regulation of sale of intoxicating liquors.
  - "(i) Taxes and sales taxes.
- "6. Committee on Education and Labor.<sup>59</sup>**
- "(a) Measures relating to education or labor generally.

<sup>53</sup> H. Res. 5, 83d Congress, consolidated old subsecs. 2 and 3 in new subsec. (b), with language changes to conform to the National Security Act of 1947 (Public Law 253, 80th Congress), as amended by Public Law 216, 81st Congress.

<sup>54</sup> H. Res. 5, 83d Congress consolidated old subsecs. 8 and 9 in new subsec. (c) and included language changes to conform to the National Security Act of 1947, as amended.

<sup>55</sup> Amended to conform to National Security Act of 1947.

<sup>56</sup> This paragraph reflects a renumbering and rearrangement of the order of the items so as to conform to the alphabetical order contained in House rule XI, adopted January 3, 1953, by H. Res. 5, 83d Congress.

<sup>57</sup> Committee on Civil Service which had been included here under the act now appears in its proper alphabetical order (Post Office and Civil Service), as contained in House rule XI, adopted January 3, 1953, by H. Res. 5, 83d Congress.

<sup>58</sup> See *supra*, note 56.

<sup>59</sup> Ibid.

- "(b) Child labor.
- "(c) Columbia Institution for the Deaf, Dumb, and Blind; Howard University; Freedmen's Hospital; and Saint Elizabeths Hospital.
- "(d) Convict labor and the entry of goods made by convicts into interstate commerce.
- "(e) Labor standards.
- "(f) Labor statistics.
- "(g) Mediation and arbitration of labor disputes.
- "(h) Regulation or prevention of importation of foreign laborers under contract.
- "(i) School-lunch program.
- "(j) United States Employees' Compensation Commission.
- "(k) Vocational rehabilitation.
- "(l) Wages and hours of labor.
- "(m) Welfare of miners.
- "<sup>(n)</sup>
- "7. Committee on Foreign Affairs.<sup>61</sup>
- "(a) Relations of the United States with foreign nations generally.
- "(b) Acquisition of land and buildings for embassies and legations in foreign countries.
- "(c) Establishment of boundary lines between the United States and foreign nations.
- "(d) Foreign loans.
- "(e) International conferences and congresses.
- "(f) Intervention abroad and declarations of war.
- "(g) Measures relating to the diplomatic service.
- "(h) Measures to foster commercial intercourse with foreign nations and to safeguard American business interests abroad.
- "(i) Neutrality.
- "(j) Protection of American citizens abroad and expatriation.
- "(k) The American National Red Cross.
- "(l) United Nations Organization and international financial and monetary organizations.
- "8. Committee on Government Operations.<sup>62</sup>
- "(a) Budget and accounting measures, other than appropriations.
- "(b) Reorganizations in the executive branch of the Government.
- "(c) Such committee shall have the duty of—
  - "(1) receiving and examining reports of the Comptroller General of the United States and of submitting such recommendations to the House as it deems necessary or desirable in connection with the subject matter of such report;
  - "(2) studying the operation of Government activities at all levels with a view to determining its economy and efficiency;
  - "(3) evaluating the effects of laws enacted to reorganize the legislative and executive branches of the Government;
  - "(4) studying intergovernmental relationships between the United States and the States and municipalities, and between the United States and international organizations of which the United States is a member.

<sup>60</sup>The name of the Committee on Expenditures in the Executive Departments was changed to Committee on Government Operations and now appears in its proper alphabetical position as subsec. 8 of rule XI (H. Res. 5, 83d Congress).

<sup>61</sup>See *supra*, note 56.

<sup>62</sup>See *supra*, note 60.

"(d) For the purpose of performing such duties, the committee, or any subcommittee thereof when authorized by the committee, is authorized to sit, hold hearings, and act at such times and places within the United States, whether or not the House is in session, is in recess, or has adjourned, to require by subpena or otherwise the attendance of such witnesses and the production of such papers, documents, and books, and to take such testimony as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or of any subcommittee, or by any member designated by any such chairman, and may be served by any person designated by any such chairman or member.<sup>63</sup>

"9. Committee on House Administration.<sup>64</sup>

- "(a) Appropriations from the contingent fund.
- "(b) The auditing and settling of all accounts which may be charged to the contingent fund.
- "(c) Employment of persons by the House, including clerks for Members and committees, and reporters of debates.
- "(d) Except as provided in clause 15d, matters relating to the Library of Congress and the House Library; statuary and pictures; acceptance or purchase of works of art for the Capitol; the Botanic Gardens; management of the Library of Congress; purchase of books and manuscripts; erection of monuments to the memory of individuals.
- "(e) Except as provided in clause 15 (d), matters relating to the Smithsonian Institution and the incorporation of similar institutions.
- "(f) Expenditure of the contingent fund of the House.
- "(g) Matters relating to printing and correction of the Congressional Record.
- "(h) Measures relating to accounts of the House generally.
- "(i) Measures relating to assignment of office space for Members and committees.
- "(j) Measures relating to the disposition of useless executive papers.
- "(k) Measures relating to the election of the President, Vice President, or Members of Congress; corrupt practices; contested elections; credentials and qualifications; and Federal elections generally.
- "(l) Measures relating to services to the House, including the House Restaurant and administration of the House Office Building and of the House wing of the Capitol.
- "(m) Measures relating to the travel of Members of the House.
- "(n) Such committee shall also have the duty of—
  - "(1) arranging a suitable program for each day observed by the House of Representatives as a memorial day in memory of Members of the Senate and House of Representatives who have died during the preceding period, and to arrange for the publication of the proceedings thereof;
  - "(2) examining all bills, amendments, and joint resolutions after passage by the House; and in cooperation with the Senate,<sup>65</sup>

<sup>63</sup> Subsec. (d) containing the subpena power was added to rule XI by H. Res. 5, 83d Congress.

<sup>64</sup> Unless otherwise noted, the changes indicated reflect a renumbering, a rearrangement, and a rewording of the items so as to conform to House rule XI, adopted January 3, 1963 by H. Res. 5, 88d Congress. "Clause 15 (d)" referred to in subsecs. (d) and (e) was previously numbered par. (o) 8.

<sup>65</sup> Language as used in the act read "in cooperation with the Senate Committee on Rules and Administration"; the words "Committee on Rules and Administration" were deleted by H. Res. 5, 83d Congress, so as to conform to S. Res. 55, 80th Congress, which transferred the examination of enrolled bills in the Senate from that Committee to the Secretary of the Senate.

of examining all bills and joint resolutions which shall have passed both Houses, to see that they are correctly enrolled; and when signed by the Speaker of the House and the President of the Senate, shall forthwith present the same, when they shall have originated in the House, to the President of the United States in person, and report the fact and date of such presentation to the House;

"(3) reporting to the Sergeant-at-Arms of the House the travel of Members of the House.

**"10. Committee on Interior and Insular Affairs.<sup>66</sup>**

"(a) Forest reserves and national parks created from the public domain.

"(b) Forfeiture of land grants and alien ownership, including alien ownership of mineral lands.

"(c) Geological Survey.

"(d) Interstate compacts relating to apportionment of waters for irrigation purposes.

"(e) Irrigation and reclamation, including water supply for reclamation projects, and easements of public lands for irrigation projects, and acquisition of private lands when necessary to complete irrigation projects.

"(f) Measures relating to the care, education, and management of Indians, including the care and allotment of Indian lands and general and special measures relating to claims which are paid out of Indian funds.

"(g) Measures relating generally to Hawaii, Alaska, and the insular possessions of the United States, except those affecting the revenue and appropriations.

"(h) Military parks and battlefields, and national cemeteries.

"(i) Mineral land laws and claims and entries thereunder.

"(j) Mineral resources of the public lands.

"(k) Mining interests generally.

"(l) Mining schools and experimental stations.

"(m) Petroleum conservation on the public lands and conservation of the radium supply in the United States.

"(n) Preservation of prehistoric ruins and objects of interest on the public domain.

"(o) Public lands generally, including entry, easements, and grazing thereon.

"(p) Relations of the United States with the Indians and the Indian tribes.

**"11. Committee on Interstate and Foreign Commerce.<sup>67</sup>**

"(a) Interstate and foreign commerce generally.

"(b)<sup>68</sup> Civil aeronautics.

"(c) Inland waterways.

<sup>66</sup> The name of this committee was changed from the "Committee on Public Lands" to the "Committee on Interior and Insular Affairs" by H. Res. 100, 82d Congress. It was formerly carried as subsec. (n), reflecting its then proper alphabetical position. It is identical with former subsec. (n), except for a renumbering and rearrangement of the order of the items so as to conform to House rule XI, adopted January 3, 1953. (See H. Res. 5, 83d Congress.)

<sup>67</sup> This paragraph reflects a renumbering and rearrangement of the order of the items so as to conform to the alphabetical order contained in House rule XI, adopted January 3, 1953. (See H. Res. 5, 83d Congress, as further amended by H. Res. 580, 85th Congress.)

<sup>68</sup> H. Res. 580, 85th Congress, amended Clause 11 by striking out "(b) Bureau of Standards \* \* \*" and relettering "(c)" to "(1)" to read "(b)" to "(k)." Bureau of Standards is now under Committee on Science and Astronautics.

- "(d) Interstate oil compacts; and petroleum and natural gas, except on the public lands.
- "(e) Public health and quarantine.
- "(f) Railroad labor and railroad retirement and unemployment, except revenue measures relating thereto.
- "(g) Regulation of interstate and foreign communications.
- "(h) Regulation of interstate and foreign transportation, except transportation by water not subject to the jurisdiction of the Interstate Commerce Commission.
- "(i) Regulation of interstate transmission of power, except the installation of connections between Government water power projects.
- "(j) Securities and exchanges.
- "(k) Weather bureau.
- "12. Committee on the Judiciary.<sup>69</sup>**
- "(a) Judicial proceedings, civil and criminal, generally.
- "(b) Apportionment of Representatives.
- "(c) Bankruptcy, mutiny, espionage, and counterfeiting.
- "(d) Civil liberties.
- "(e) Constitutional amendments.
- "(f) Federal courts and judges.
- "(g) Holidays and celebrations.
- "(h) Immigration and naturalization.
- "(i) Interstate compacts generally.
- "(j) Local courts in the Territories and possessions.
- "(k) Measures relating to claims against the United States.
- "(l) Meetings of Congress, attendance of Members, and their acceptance of incompatible offices.
- "(m) National penitentiaries.
- "(n) Patent Office.
- "(o) Patents, copyrights, and trade-marks.
- "(p) Presidential succession.
- "(q) Protection of trade and commerce against unlawful restraints and monopolies.
- "(r) Revision and codification of the statutes of the United States.
- "(s) State and Territorial boundary lines.
- "13. Committee on Merchant Marine and Fisheries.<sup>70</sup>**
- "(a) Merchant marine generally.
- "(b) Coast and Geodetic Survey.
- "(c) Coast Guard, including lifesaving service, lighthouses, lightships, and ocean derelicts.
- "(d) Fisheries and wildlife, including research, restoration, refuges, and conservation.
- "(e) Measures relating to the regulation of common carriers by water (except matters subject to the jurisdiction of the Interstate Commerce Commission) and to the inspection of merchant marine vessels, lights and signals, lifesaving equipment, and fire protection on such vessels.
- "(f) Merchant marine officers and seamen.
- "(g) Navigation and the laws relating thereto, including pilotage.
- "(h) Panama Canal and the maintenance and operation of the Panama Canal, including the administration, sanitation, and government of the Canal Zone; and interoceanic canals generally.

<sup>69</sup> See *supra*, note 67.

<sup>70</sup> Ibid.

- "(i) Registering and licensing of vessels and small boats.
- "(j) Rules and international arrangements to prevent collisions at sea.
- "(k) United States Coast Guard and Merchant Marine Academies.
- "<sup>(71)</sup> "14. Committee on Post Office and Civil Service."<sup>72</sup>
- "(a) Census and the collection of statistics generally.
- "(b) Federal civil service generally.
- "(c) National Archives.
- "(d) Postal-savings banks.
- "(e) Postal service generally, including the railway mail service, and measures relating to ocean mail and pneumatic-tube service; but excluding post roads.
- "(f) Status of officers and employees of the United States, including their compensation, classification, and retirement.
- "15. Committee on Public Works.<sup>73</sup>
- "(a) Flood control and improvement of rivers and harbors.
- "(b) Measures relating to the Capitol Building and the Senate and House Office Buildings.
- "(c) Measures relating to the construction or maintenance of roads and post roads, other than appropriations therefor; but it shall not be in order for any bill providing general legislation in relation to roads to contain any provision for any specific road, nor for any bill in relation to a specific road to embrace a provision in relation to any other specific road.
- "(d) Measures relating to the construction or reconstruction, maintenance, and care of buildings and grounds of the Botanic Gardens, the Library of Congress, and the Smithsonian Institution.
- "(e) Measures relating to the purchase of sites and construction of post offices, customhouses, Federal courthouses, and Government buildings within the District of Columbia.
- "(f) Oil and other pollution of navigable waters.
- "(g) Public buildings and occupied or improved grounds of the United States generally.
- "(h) Public reservations and parks within the District of Columbia, including Rock Creek Park and the Zoological Park.
- "(i) Public works for the benefit of navigation, including bridges and dams (other than international bridges and dams).
- "(j) Water power.
- "16. Committee on Rules.<sup>74</sup>
- "(a) The rules, joint rules, and order of business of the House.
- "(b) Recesses and final adjournments of Congress.
- "(c) The Committee on Rules is authorized to sit and act whether or not the House is in session.<sup>75</sup>
- "17. Committee on Science and Astronautics.<sup>76</sup>

<sup>72</sup> Committee on Public Lands which had been included here under the act now appears in its proper alphabetical position (Interior and Insular Affairs) as par. 10 of House rule XI.

<sup>73</sup> The House Rules adopted on January 3, 1953, placed this committee in its proper alphabetical position. It was formerly carried as subsec. (e). The changes indicated reflect a renumbering and rearrangement of the order of the items so as to conform to the alphabetical order contained in House rule XI. (See H. Res. 5, 83d Congress.)

<sup>74</sup> See *supra*, note 67.

<sup>75</sup> Renumbered to conform to House rule XI adopted January 3, 1953. (See H. Res. 5, 83d Congress.)

<sup>76</sup> Clause (c) was inserted in House Rules adopted January 3, 1953. (See H. Res. 5, 83d Congress.)

<sup>77</sup> Committee on Science and Astronautics was inserted as Clause "17" by H. Res. 580, 85th Congress, and Clauses 17 through 29 were renumbered 18 through 30.

"(a) Astronautical research and development, including resources, personnel, equipment, and facilities.

"(b) Bureau of Standards, standardization of weights and measures, and the metric system.

"(c) National Aeronautics and Space Administration.

"(d) National Aeronautics and Space Council.

"(e) National Science Foundation.

"(f) Outer space, including exploration and control thereof.

"(g) Science scholarships.

"(h) Scientific research and development.

**"18. Committee on Un-American Activities.<sup>77</sup>**

"(a) Un-American activities.

"(b) The Committee on Un-American Activities, as a whole or by subcommittee, is authorized to make from time to time investigations of (1) the extent, character, and objects of Un-American propaganda activities in the United States, (2) the diffusion within the United States of subversive and un-American propaganda that is instigated from foreign countries or of a domestic origin and attacks the principle of the form of government as guaranteed by our Constitution, and (3) all other questions in relation thereto that would aid Congress in any necessary remedial legislation.

"The Committee on Un-American Activities shall report to the House (or to the Clerk of the House if the House is not in session) the results of any such investigation, together with such recommendations as it deems advisable.

"For the purpose of any such investigation, the Committee on Un-American Activities, or any subcommittee thereof, is authorized to sit and act at such times and places within the United States, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, and to take such testimony, as it deems necessary. Subpensas may be issued under the signature of the chairman of the committee or any subcommittee, or by any member designated by any such chairman, and may be served by any person designated by any such chairman or member.

**"19. Committee on Veterans' Affairs.<sup>78</sup>**

"(a) Veterans' measures generally.

"(b) Compensation, vocational rehabilitation, and education of veterans.

"(c) Life insurance issued by the Government on account of service in the armed forces.

"(d) Pensions of all the wars of the United States, general and special.

"(e) Readjustment of servicemen to civil life.

"(f) Soldiers' and sailors' civil relief.

"(g) Veterans' hospitals, medical care, and treatment of veterans.

**"20. Committee on Ways and Means.<sup>79</sup>**

"(a) Customs, collection districts, and ports of entry and delivery.

"(b) National social security.

"(c) Reciprocal trade agreements.

"(d) Revenue measures generally.

<sup>77</sup> See *supra*, note 67.

<sup>78</sup> See *supra*, note 67.

<sup>79</sup> Ibid.

"(e) Revenue measures relating to the insular possessions.

"(f) The bonded debt of the United States.

"(g) The deposit of public moneys.

"(h) Transportation of dutiable goods.

"<sup>21.</sup><sup>80</sup> The following-named committees shall have leave to report at any time on the matters herein stated namely: The Committee on Appropriations—on the general appropriation bills; the Committee on House Administration—on the right of a Member to his seat, enrolled bills, on all matters referred to it of printing for the use of the House or the two Houses, and on all matters of expenditures of the contingent fund of the House; the Committee on Interior and Insular Affairs <sup>81</sup>—on bills for the forfeiture of land grants to railroad and other corporations, bills preventing speculation in the public lands, bills for the reservation of the public lands for the benefit of actual and bona fide settlers, and bills for the admission of new States; the Committee on Public Works—on bills authorizing the improvement of rivers and harbors; the Committee on Rules—on rules, joint rules, and order of business; the Committee on Veterans' Affairs—on general pension bills; the Committee on Ways and Means—on bills raising revenue.

"<sup>22.</sup><sup>82</sup> It shall always be in order to call up for consideration a report from the Committee on Rules (except it shall not be called up for consideration on the same day it is presented to the House, unless so determined by a vote of not less than two-thirds of the Members voting, but this provision shall not apply during the last three days of the session), and, pending the consideration thereof, the Speaker may entertain one motion that the House adjourn; but after the result is announced he shall not entertain any other dilatory motion until the said report shall have been fully disposed of. The Committee on Rules shall not report any rule or order which shall provide that business under paragraph 7 of rule XXIV shall be set aside by a vote of less than two-thirds of the Members present; nor shall it report any rule or order which shall operate to prevent the motion to recommit being made as provided in paragraph 4 of rule XVI.

"<sup>23.</sup><sup>83</sup> The Committee on Rules shall present to the House reports concerning rules, joint rules, and order of business, within three legislative days of the time when ordered reported by the committee. If such rule or order is not considered immediately, it shall be referred to the calendar and, if not called up by the Member making the report within seven legislative days thereafter, any member of the Rules Committee may call it up as a question of privilege and the Speaker shall recognize any member of the Rules Committee seeking recognition for that purpose. If the Committee on Rules shall make an adverse report on any resolution pending before the committee, providing for an order of business for the consideration by the House of any public bill or joint resolution, on days when it shall be in order to call up motions to discharge committees it shall be in order for any Member of the House to call up for consideration by the House any such adverse report, and it shall be in order to move the adoption by the House of said resolution

<sup>80</sup>This paragraph reflects a rearrangement of the order of the items so as to conform to the alphabetical order contained in House rule XI, adopted January 3, 1953. (See H. Res. 5, 83d Congress, as amended by H. Res. 580, 85th Congress.)

<sup>81</sup>The name of this Committee was changed from Committee on Public Lands by H. Res. 100, 82d Congress.

<sup>82</sup>Changed to conform to House rule XI, adopted January 3, 1953 (H. Res. 5, 83d Congress), as amended by H. Res. 580, 85th Congress.

<sup>83</sup>Ibid.

adversely reported notwithstanding the adverse report of the Committee on Rules, and the Speaker shall recognize the Member seeking recognition for that purpose as a question of the highest privilege.

"24.<sup>84</sup> The Committee on House Administration shall make final report to the House in all contested-election cases not later than six months from the first day of the first regular session of the Congress to which the contestee is elected except in a contest from the Territory of Alaska, in which case the time shall not exceed nine months.

"25.<sup>85</sup> Each standing committee of the House (other than the Committee on Appropriations) shall fix regular weekly, biweekly, or monthly meeting days for the transaction of business before the committee, and additional meetings may be called by the Chairman as he may deem necessary<sup>86</sup> and each such committee shall meet to consider any bill or resolution pending before it; (a) on all regular meeting days selected by the committee; (b) upon the call of the chairman of the committee; (c) if the chairman of the committee, after three days' consideration, refuses or fails, upon the request of at least three members of the committee, to call a special meeting of the committee within seven calendar days from the date of said request, then, upon the filing with the clerk of the committee for a called special meeting of the committee, the committee shall meet on the day and hour specified in said written request. It shall be the duty of the clerk of the committee to notify all members of the committee in the usual way of such called special meeting.

"26.<sup>87</sup> (a) The rules of the House are hereby made the rules of its standing committees so far as applicable, except that a motion to recess from day to day is hereby made a motion of high privilege in said committees.

"(b) Each committee shall keep a complete record of all committee action. Such record shall include a record of the votes on any question on which a record vote is demanded.

"(c) All committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the Member serving as chairman of the committee; and such records shall be the property of the House and all Members of the House shall have access to such records. Each committee is authorized to have printed and bound testimony and other data presented at hearings held by the committee.

"(d) It shall be the duty of the chairman of each committee to report or cause to be reported promptly to the House any measure approved by his committee and to take or cause to be taken necessary steps to bring the matter to a vote.

"(e) No measure or recommendation shall be reported from any committee unless a majority of the committee were actually present.

"(f) Each committee shall, so far as practicable, require all witnesses appearing before it to file in advance written statements of their

<sup>84</sup> *Ibid.*

<sup>85</sup> This section has been renumbered and combines the former rule with sec. 133 (a) to conform to House rule XI, adopted January 3, 1953 (H. Res. 5, 83d Congress).

<sup>86</sup> The language "fix regular weekly, biweekly, or monthly meeting days for the transaction of business before the committee, and additional meetings may be called by the Chairman as he may deem necessary" is the language of sec. 133 (a) of the act except for the elimination of reference to the Senate (H. Res. 5, 83d Congress).

<sup>87</sup> Sec. 25 has been renumbered to conform to House rule XI, adopted January 3, 1953. Subsecs. (b), (c), (d), (e), (f), and (g) have been added as new material and are taken directly from sec. 183 (b)-(f) and sec. 202 (d) of the act.

proposed testimony, and to limit their oral presentation to brief summaries of their argument. The staff of each committee shall prepare digests of such statements for the use of committee members.

"(g) All hearings conducted by standing committees or their subcommittees shall be open to the public, except executive sessions for marking up bills or for voting or where the committee by a majority vote orders an executive session.

"27.<sup>ss</sup> To assist the House in appraising the administration of the laws and in developing such amendments or related legislation as it may deem necessary, each standing committee of the House shall exercise continuous watchfulness of the execution by the administrative agencies concerned of any laws, the subject matter of which is within the jurisdiction of such committee; and, for that purpose, shall study all pertinent reports and data submitted to the House by the agencies in the executive branch of the Government.

"28.<sup>ss</sup> (a) Each standing committee (other than the Committee on Appropriations) is authorized to appoint by a majority vote of the committee not more than four professional staff members in addition to the clerical staffs on a permanent basis without regard to political affiliations and solely on the basis of fitness to perform the duties of the office; and said staff members shall be assigned to the chairman and ranking minority member of such committee as the committee may deem advisable. Services of professional staff members may be terminated by majority vote of the committee. Professional staff members shall not engage in any work other than committee business and no other duties may be assigned to them.

"(b) The clerical staff of each standing committee, which shall be appointed by a majority vote of the committee, shall consist of not more than six clerks, to be attached to the office of the chairman, to the ranking minority member, and to the professional staff, as the committee may deem advisable. The clerical staff shall handle committee correspondence and stenographic work, both for the committee staff and for the chairman and ranking minority member on matters relating to committee work.

"(c) The professional staff members of the standing committees shall receive basic annual compensation, to be fixed by the chairman, ranging from \$5,000 to \$8,880, and the clerical staff shall receive basic annual compensation up to \$8,880.<sup>so</sup>

"(d) Subject to appropriations hereby authorized, the Committee on Appropriations may appoint such staff, in addition to the clerk thereof and assistants for the minority, as it by majority vote determines to be necessary, such personnel, other than minority assistants, to possess such qualifications as the committee may prescribe.

"(e) No committee shall appoint to its staff any experts or other personnel detailed or assigned from any department or agency of the Government, except with the written permission of the Committee on House Administration.

"29. Each committee shall report to the Clerk of the House within fifteen days after December 31 and June 30 of each year the name,

<sup>ss</sup> Taken from sec. 136 of the Act. See p. 293.

<sup>so</sup> Subpars. (a)-(d) are taken from the act, secs. 202 (a), (c), (e), (b), and (f), respectively.

<sup>so</sup> As amended July 30, 1947 (61 Stat. 611), and August 5, 1955 (69 Stat. 509 § 12), and June 20, 1958, P. L. 85-462, 72 Stat. 209. Section originally omitted term "basic" and placed maximum compensation at \$8,000 for both professional and clerical staffs, and set a minimum of \$2,000 for the clerical staff.

profession, and total salary of each person employed by such committee or any subcommittee thereof during the period covered by such report, and shall make an accounting of funds made available to and expended by such committee or subcommittee during such period, and such information when reported shall be published in the Congressional Record.<sup>91</sup>

"30. No committee of the House, except the Committees on Government Operations, Rules, and Un-American Activities, shall sit, without special leave, while the House is in session."<sup>92</sup>

DELEGATES AND RESIDENT COMMISSIONER

SEC. 122. Rule XII of the Standing Rules of the House of Representatives is amended to read as follows:

"RULE XII

"DELEGATES AND RESIDENT COMMISSIONER

"The Delegate from Hawaii and the Resident Commissioner to the United States from Puerto Rico shall be elected to serve as additional members on the Committees on Agriculture, Armed Services, and Interior and Insular Affairs, and the Delegate from Alaska shall be elected to serve as an additional member on the Committees on Agriculture, Armed Services, Merchant Marine and Fisheries, and Interior and Insular Affairs; and they shall possess in such committees the same powers and privileges as in the House, and may make any motion except to reconsider."<sup>93</sup>

REFERENCE OF PRIVATE CLAIMS BILLS

SEC. 123. Paragraph 3 of rule XXI of the Standing Rules of the House of Representatives is amended to read as follows:

"3. No bill for the payment or adjudication of any private claim against the Government shall be referred, except by unanimous consent, to any other than the following committees, namely: To the Committee on Foreign Affairs or<sup>94</sup> to the Committee on the Judiciary."

PART 3—PROVISIONS APPLICABLE TO BOTH HOUSES

PRIVATE BILLS BANNED

SEC. 131.<sup>95</sup> No private bill or resolution (including so-called omnibus claims or pension bills), and no amendment to any bill or resolution, authorizing or directing (1) the payment of money for property damages, for personal injuries or death for which suit may be instituted under chapter 171 of the Judicial Code, or for a pension (other than to carry out a provision of law or treaty stipulation);

<sup>91</sup> This is taken from sec. 134 (b) of the act as amended July 17, 1947 (61 Stat. 368).

<sup>92</sup> This is taken from sec. 134 (c) of the act.

<sup>93</sup> The Delegate from Alaska was given an additional committee by H. Res. 294, 81st Congress, and the name of the "Committee on Public Lands" was changed to the "Committee on Interior and Insular Affairs" by H. Res. 100, 82d Congress. (See H. Res. 5, 83d Congress.)

<sup>94</sup> Amended by H. Res. 5, 83d Congress, by inserting "or" in lieu of "and".

<sup>95</sup> The House adopted this section as House rule XXII, par. (2). (See H. Res. 5, 88d Cong.)

(2) the construction of a bridge across a navigable stream; or (3) the correction of a military or naval record, shall be received or considered in either the Senate or the House of Representatives.

CONGRESSIONAL ADJOURNMENT

SEC. 132. Except in time of war or during a national emergency proclaimed by the President, the two Houses shall adjourn sine die not later than the last day (Sundays excepted) in the month of July in each year unless otherwise provided by the Congress.

COMMITTEE PROCEDURE<sup>96</sup>

SEC. 133. (a) Each standing committee of the Senate and the House of Representatives (except the Committees on Appropriations) shall fix regular weekly, biweekly, or monthly meeting days for the transaction of business before the committee, and additional meetings may be called by the chairman as he may deem necessary.

(b) Each such committee shall keep a complete record of all committee action. Such record shall include a record of the votes on any question on which a record vote is demanded.

(c) It shall be the duty of the chairman of each such committee to report or cause to be reported promptly to the Senate or House of Representatives, as the case may be, any measure approved by his committee and to take or cause to be taken necessary steps to bring the matter to a vote.

(d) No measure or recommendation shall be reported from any such committee unless a majority of the committee were actually present.

(e) Each such standing committee shall, so far as practicable, require all witnesses appearing before it to file in advance written statements of their proposed testimony, and to limit their oral presentations to brief summaries of their argument. The staff of each committee shall prepare digests of such statements for the use of committee members.

(f) All hearings conducted by standing committees or their subcommittees shall be open to the public, except executive sessions for marking up bills or for voting or where the committee by a majority vote orders an executive session.

COMMITTEE POWERS

SEC. 134. (a)<sup>97</sup> Each standing committee of the Senate, including any subcommittee of any such committee, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to take such testimony and to make such expenditures (not in excess of \$10,000 for each committee during any Congress) as it deems advisable. Each such committee may make investigations into any matter within its

<sup>96</sup>The House adopted sec. 133 of the act as House rule XI, pars. 25 and 26 (b), (d), (e), (f), and (g). See *supra*, p. 289.  
<sup>97</sup>This subsection was made applicable to the Select Committee on Small Business by Public Law 759, 81st Cong.

jurisdiction, may report such hearings as may be had by it, and may employ stenographic assistance at a cost not exceeding 40 cents<sup>98</sup> per hundred words. The expenses of the committee shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

(b) Every committee serving the Senate shall report to the Secretary of the Senate, and every committee serving the House of Representatives shall report to the Clerk of the House, within fifteen days after December 31 and June 30 of each year the name, profession, and total salary of each such person employed by such committee or any subcommittee thereof during the period covered by such report, and shall make an accounting of funds made available to and expended by such committee or subcommittee during such period and such information when reported shall be published in the Congressional Record. Reports shall cover the six months' period ending on the preceding December 31 or June 30 as the case may be.<sup>99</sup>

(c) No standing committee of the Senate shall sit without special leave, while the Senate is in session.<sup>100</sup>

SEC. 135. (a) In any case in which a disagreement to an amendment in the nature of a substitute has been referred to conferees, it shall be in order for the conferees to report a substitute on the same subject matter; but they may not include in the report matter not committed to them by either House. They may, however, include in their report in any such case matter which is a germane modification of subjects in disagreement.

(b) In any case in which the conferees violate subsection (a), the conference report shall be subject to a point of order.

#### LEGISLATIVE OVERSIGHT BY STANDING COMMITTEES

SEC. 136. To assist the Congress in appraising the administration of the laws and in developing such amendments or related legislation as it may deem necessary, each standing committee of the Senate and the House of Representatives shall exercise continuous watchfulness of the execution by the administrative agencies concerned of any laws, the subject matter of which is within the jurisdiction of such committee; and, for that purpose, shall study all pertinent reports and data submitted to the Congress by the agencies in the executive branch of the Government.

#### DECISIONS ON QUESTIONS OF COMMITTEE JURISDICTION

SEC. 137. In any case in which a controversy arises as to the jurisdiction of any standing committee of the Senate with respect to any

<sup>98</sup> The rate was increased from 25 cents July 11, 1952, by the Committee on Rules and Administration pursuant to authority granted by Public Law 471, 82d Congress.

<sup>99</sup> The original wording of sec. 134 (b) of the Act read:

"Every committee and subcommittee serving the Senate and House of Representatives shall report the name, profession and total salary of each staff member employed by it, and shall make an accounting of funds appropriated to it and expended by it to the Secretary of the Senate and the Clerk of the House of Representatives, as the case may be, at least once every six months, and such information shall be published periodically in the Congressional Directory when and as the same is issued and as Senate and House documents, respectively, every three months."

This original wording was superseded in the Senate by S. Res. 123, 80th Congress, and in the House by Public Law 197, 80th Congress.

<sup>100</sup> This paragraph formerly included committees of the House. Committees of the House in this regard are now governed by par. 29, House rule XI, agreed to in H. Res. 5, 83d Congress.

proposed legislation, the question of jurisdiction shall be decided by the presiding officer of the Senate, without debate, in favor of that committee which has jurisdiction over the subject matter which predominates in such proposed legislation; but such decision shall be subject to an appeal.

LEGISLATIVE BUDGET

SEC. 138. (a) The Committee on Ways and Means and the Committee on Appropriations of the House of Representatives, and the Committee on Finance and the Committee on Appropriations of the Senate, or duly authorized subcommittees thereof, are authorized and directed to meet jointly at the beginning of each regular session of Congress and after study and consultation, giving due consideration to the budget recommendations of the President, report to their respective Houses a legislative budget for the ensuing fiscal year, including the estimated overall Federal receipts and expenditures for such year. Such report shall contain a recommendation for the maximum amount to be appropriated for expenditure in such year which shall include such an amount to be reserved for deficiencies as may be deemed necessary by such committees. If the estimated receipts exceed the estimated expenditures, such report shall contain a recommendation for a reduction in the public debt. Such report shall be made by February 15.

(b) The report shall be accompanied by a concurrent resolution adopting such budget, and fixing the maximum amount to be appropriated for expenditure in such year. If the estimated expenditures exceed the estimated receipts, the concurrent resolution shall include a section substantially as follows: "That it is the sense of the Congress that the public debt shall be increased in an amount equal to the amount by which the estimated expenditures for the ensuing fiscal year exceed the estimated receipts, such amount being \$ ."

HEARINGS AND REPORTS BY APPROPRIATIONS COMMITTEES

SEC. 139. (a) No general appropriation bill shall be considered in either House unless, prior to the consideration of such bill, printed committee hearings and reports on such bill have been available for at least three calendar days for the Members of the House in which such bill is to be considered.

(b) The Committees on Appropriations of the two Houses are authorized and directed, acting jointly, to develop a standard appropriation classification schedule which will clearly define in concise and uniform accounts the subtotals of appropriations asked for by agencies in the executive branch of the Government. That part of the printed hearings containing each such agency's request for appropriations shall be preceded by such a schedule.

(c) No general appropriation bill or amendment thereto shall be received or considered in either House if it contains a provision re-appropriating unexpended balances of appropriations; except that this provision shall not apply to appropriations in continuation of appropriations for public works on which work has commenced.

(d) The Appropriations Committees of both Houses are authorized and directed to make a study of (1) existing permanent appropria-

tions with a view to limiting the number of permanent appropriations and to recommend to their respective Houses what permanent appropriations, if any, should be discontinued; and (2) the disposition of funds resulting from the sale of Government property or services by all departments and agencies in the executive branch of the Government with a view to recommending to their respective Houses a uniform system of control with respect to such funds.

#### RECORDS OF CONGRESS

SEC. 140. (a) The Secretary of the Senate and the Clerk of the House of Representatives are authorized and directed, acting jointly, to obtain at the close of each Congress all of the noncurrent records of the Congress and of each committee thereof and transfer them to the National Archives for preservation, subject to the orders of the Senate or the House, respectively.

(b) The Clerk of the House of Representatives is authorized and directed to collect all of the noncurrent records of the House of Representatives from the First to the Seventy-sixth Congress, inclusive, and transfer such records to the National Archives for preservation, subject to the orders of the Senate or the House, respectively.<sup>101</sup>

#### PRESERVATION OF COMMITTEE HEARINGS

SEC. 141. The Librarian of the Library of Congress is authorized and directed to have bound at the end of each session of Congress the printed hearings of testimony taken by each committee of the Congress at the preceding session.

#### EFFECTIVE DATE

SEC. 142. This title shall take effect on January 2, 1947; except that this section and sections 140 and 141 shall take effect on the date of enactment of this Act.

### TITLE II—MISCELLANEOUS

#### PART 1—STATUTORY PROVISIONS RELATING TO CONGRESSIONAL PERSONNEL

##### INCREASE IN COMPENSATION FOR CERTAIN CONGRESSIONAL OFFICERS

SEC. 201. (a) Effective January 1, 1947, the annual basic compensation of the elected officers of the Senate and the House of Representatives (not including the Presiding Officers of the two Houses) shall be increased by 50 per centum;<sup>102</sup> and the provisions of section 501 of the Federal Employees Pay Act of 1945, as amended by section 5 of

<sup>101</sup> Executed.

<sup>102</sup> The rates of basic compensation of these officers were increased—

(a) by 5 per centum October 28, 1949, by Public Law 430, 81st Congress, 63 Stat.

974 (d);

(b) by 10 per centum (but not less than \$300 nor more than \$800) October 24, 1951,

by Public Law 201, 82d Congress, 65 Stat. 614 § 2 (e);

(c) by 7.5 per centum June 28, 1955, by Public Law 94, 84th Congress, 69 Stat. 176,

§ 4 (c), and

(d) by 10 per centum of the gross annual compensation, June 20, 1958, by P. L.

85-462, 72 Stat. 208, 209.

the Federal Employees Pay Act of 1946, shall not be applicable to the compensation of said elected officers.

(b) There is hereby authorized to be appropriated annually for the "Office of the Vice President" the sum of \$23,130; and there is hereby authorized to be appropriated annually for the "Office of the Speaker" the sum of \$20,025.<sup>103</sup>

(c) The Speaker, the majority leader, and the minority leader of the House of Representatives are each authorized to employ an administrative assistant, who shall receive basic compensation at a rate not to exceed \$8,800<sup>104</sup> a year. There is hereby authorized to be appropriated such sums as may be necessary for the payment of such compensation.

COMMITTEE STAFFS

SEC. 202. (a) Each standing committee of the Senate and the House of Representatives (other than the Appropriations Committees) is authorized to appoint by a majority vote of the committee not more than four professional staff members in addition to the clerical staffs on a permanent basis without regard to political affiliations and solely on the basis of fitness to perform the duties of the office; and said staff members shall be assigned to the chairman and ranking minority member of such committee as the committee may deem advisable. Each such committee is further authorized to terminate the services by a majority vote of the committee of any such professional staff member as it may see fit. Professional staff members shall not engage in any work other than committee business and no other duties may be assigned to them.

(b) Subject to appropriations which it shall be in order to include in appropriation bills, the Committee on Appropriations of each House is authorized to appoint such staff, in addition to the clerk thereof and assistants for the minority, as each such committee, by a majority vote, shall determine to be necessary, such personnel, other than the minority assistants, to possess such qualifications as the committees respectively may prescribe, and the Committee on Appropriations of the House also is authorized to conduct studies and examinations of the organization and operation of any executive agency (including any agency the majority of the stock of which is owned by the Government of the United States) as it may deem necessary to assist it in connection with the determination of matters within its jurisdiction and in accordance with procedures authorized by the committee by a majority vote, including the rights and powers conferred by House Resolution Numbered 50, adopted January 9, 1945.

(c) The clerical staff of each standing committee, which shall be appointed by a majority vote of the committee, shall consist of not more than six clerks, to be attached to the office of the chairman, to the ranking minority member, and to the professional staff, as the committee may deem advisable; and the position of committee janitor is hereby abolished. The clerical staff shall handle committee correspondence and stenographic work, both for the committee staff and

<sup>103</sup> For fiscal year 1959, \$101,925 was appropriated for the Office of the Vice President, and \$53,075 for the Office of the Speaker (Public Law 85-570; 72 Stat. 439, 443).

<sup>104</sup> Changed from \$8,000 by H. Res. 533, 84th Congress.

for the chairman and ranking minority member on matters related to committee work.<sup>105</sup>

(d) All committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the Member serving as chairman of the committee; and such records shall be the property of the Congress and all members of the committee and the respective Houses shall have access to such records. Each committee is authorized to have printed and bound such testimony and other data presented at hearings held by the committee.

(e) The professional staff members of the standing committees shall receive basic annual compensation, to be fixed by the chairman, ranging from \$5,000 to \$8,880 and the clerical staff shall receive basic annual compensation up to \$8,880.<sup>106</sup>

(f) No committee shall appoint to its staff any experts or other personnel detailed or assigned from any department or agency of the Government, except with the written permission of the Committee on Rules and Administration of the Senate or the Committee on House Administration of the House of Representatives, as the case may be.

(g) \* \* \* <sup>107</sup>

(h) \* \* \* <sup>108</sup>

LEGISLATIVE REFERENCE SERVICE

SEC. 203. (a) The Librarian of Congress is authorized and directed to establish in the Library of Congress a separate department to be known as the Legislative Reference Service. It shall be the duty of the Legislative Reference Service—

(1) upon request, to advise and assist any committee of either House or any joint committee in the analysis, appraisal, and evaluation of legislative proposals pending before it, or of recommendations submitted to Congress, by the President or any executive agency, and otherwise to assist in furnishing a basis for the proper determination of measures before the committee;

(2) upon request, or upon its own initiative in anticipation of requests, to gather, classify, analyze, and make available, in translations, indexes, digests, compilations and bulletins, and other-

<sup>105</sup> Increases in the clerical and professional staffs of various committees "until otherwise provided by law" have been authorized from time to time.

<sup>106</sup> The word "basic" was added to "annual compensation" of each group, and the \$2,000 minimum was deleted for the clerical staff by Public Law 271, 80th Congress, 61 Stat. 611.

2. The \$8,000 limit in the basic annual compensation of members of the professional and clerical staffs was increased to \$8,820, August 5, 1955 by section 12 of Public Law 242, 84th Congress, 69 Stat. 509; and further increased to \$8,880, June 20, 1958, by P. L. 85-462, 72 Stat. 509 (o).

3. Joint Resolution of February 19, 1947 (Public Law 4, 80th Congress, 61 Stat. 5) provided for clerical staffs of the standing committees of the Senate, as follows: "That notwithstanding the provisions of section 202 of the Reorganization Act of 1946, the clerical staffs of standing committees of the Senate shall be organized and compensated in the manner hereinafter provided.

"The annual rates of compensation for the clerical staff of each standing committee of the Senate (other than the Appropriations Committee) shall be \$2,000 to \$8,000 for one chief clerk and one assistant chief clerk; and \$2,000 to \$3,720 for not to exceed four other clerical assistants.

"The annual rates of compensation for the clerical staff of the Appropriations Committee shall be as follows: One chief clerk and one assistant chief clerk and two assistant clerks\* at \$5,600 to \$8,000; such assistant clerks as may be necessary at \$3,820 to \$5,600; and such other clerical assistants as may be necessary at \$2,000 to \$3,720.

"Such compensation shall be fixed by the chairman of each such committee."

\*The words "and two assistant clerks" were added June 14, 1948, by Public Law 641, 80th Congress, 62 Stat. 423.

<sup>107</sup> Subsec. (g), restricting appointment of persons employed as professional staff members of a committee to positions in the Executive branch, was repealed by Public Law 8, 81st Congress.

<sup>108</sup> Subsec. (h) related to committee employees as of August 2, 1946. This is now obsolete.

wise, data for a<sup>109</sup> bearing upon legislation, and to render such data serviceable to Congress, and committees and Members thereof, without partisan bias in selection or presentation;

(3) to prepare summaries and digests of public hearings before committees of the Congress, and of bills and resolutions of a public general nature introduced in either House.

(b) (1) A director and assistant director of the Legislative Reference Service and all other necessary personnel, shall be appointed by the Librarian of Congress without regard to the civil service laws and without reference to political affiliations, solely on the ground of fitness to perform the duties of their office. The compensation of all employees shall be fixed in accordance with the provisions of the Classification Act of 1949;<sup>110</sup> *Provided*, That the grade of senior specialist in each field enumerated in paragraph (2) of this subsection shall not be less than the highest grade in the executive branch of the Government to which research analysts and consultants without supervisory responsibility are currently assigned. All employees of the Legislative Reference Service shall be subject to the provisions of the civil-service retirement laws.

(2) The Librarian of Congress is further authorized to appoint in the Legislative Reference Service senior specialists in the following broad fields: Agriculture; American government and public administration; American public law; conservation; education; engineering and public works; full employment; housing; industrial organization and corporation finance; international affairs; international trade and economic geography; labor; mineral economics; money and banking; price economics; social welfare; taxation and fiscal policy; transportation and communications; and veterans' affairs. Such specialists, together with such other members of the staff as may be necessary, shall be available for special work with the appropriate committees of Congress for any of the purposes set out in section 203 (a) (1).

(c) There is hereby authorized to be appropriated for the work of the Legislative Reference Service the following sums: (1) For the fiscal year ending June 30, 1947, \$550,000; (2) for the fiscal year ending June 30, 1948, \$650,000; (3) for the fiscal year ending June 30, 1949, \$750,000; and (4) for each fiscal year thereafter such sums as may be necessary to carry on the work of the Service.<sup>111</sup>

OFFICE OF THE LEGISLATIVE COUNSEL

SEC. 204. There is hereby authorized to be appropriated for the work of the Office of the Legislative Counsel the following sums:

- (1) For the fiscal year ending June 30, 1947, \$150,000;
- (2) For the fiscal year ending June 30, 1948, \$200,000;
- (3) For the fiscal year ending June 30, 1949, \$250,000;

<sup>109</sup> The word "a" was erroneously used in the Legislative Reorganization Act. It should read "or." See 38 Stat. 1005.

<sup>110</sup> Amended by the Act of October 28, 1949, Public Law 429, 81st Congress, 63 Stat. 954; formerly read: "Classification Act of 1923, as amended."

<sup>111</sup> Clauses (1)-(3) have been executed. For the fiscal year ending June 30, 1959, \$1,265,000 was appropriated subject to the proviso that "no part of this appropriation may be used to pay any salary or expense in connection with any publication, or preparation of material therefor (except the Digest of Public General Bills), to be issued by the Library on House Administration or the Senate Committee on Rules and Administration." (Public Law 85-570, 72 Stat. 451.)

- (4) For the fiscal year ending June 30, 1950, \$250,000; and  
(5) For each fiscal year thereafter such sums as may be necessary to carry on the work of the Office.<sup>112</sup>

STUDIES BY COMPTROLLER GENERAL

SEC. 205. The Comptroller General is authorized and directed to make a full and complete study of restrictions placed in general appropriation Acts limiting the expenditure of specified appropriations therein, with a view to determining the cost to the Government incident to complying with such restrictions, and to report to the Congress his estimate of the cost of complying with such restrictions and such other recommendations with respect thereto as he deems necessary or desirable.

EXPENDITURE ANALYSES BY COMPTROLLER GENERAL

SEC. 206. The Comptroller General is authorized and directed to make an expenditure analysis of each agency in the executive branch of the Government (including Government corporations), which, in the opinion of the Comptroller General, will enable Congress to determine whether public funds have been economically and efficiently administered and expended. Reports on such analyses shall be submitted by the Comptroller General, from time to time, to the Committees on Government Operations,<sup>113</sup> to the Appropriations Committees, and to the legislative committees having jurisdiction over legislation relating to the operations of the respective agencies, of the two Houses.

CORRECTION OF MILITARY AND NAVAL RECORDS

SEC. 207.<sup>114</sup> (a) The Secretary of a military department, under procedures established by him and approved by the Secretary of Defense, and acting through boards of civilians of the executive part of that military department, may correct any military record of that department when he considers it necessary to correct an error or remove an injustice. Under procedures prescribed by him, the Secretary of the Treasury may in the same manner correct any military record of the Coast Guard. Except when procured by fraud, a correction under this section is final and conclusive on all officers of the United States.

(b) No correction may be made under subsection (a) unless the claimant or his heir or legal representative files a request therefor before October 26, 1961, or within three years after he discovers the error or injustice, whichever is later. However, a board established

<sup>112</sup> Clauses (1)-(4) have been executed. For the fiscal year ending June 30, 1959, \$187,385 was appropriated for the Office of Legislative Counsel of the Senate, and \$186,000 for the Office of Legislative Counsel of the House of Representatives, by P. L. 85-570, 72 Stat. 440, 444.

<sup>113</sup> Formerly the Committees on Expenditures in the Executive Departments. During the 82d Congress the name was changed in the Senate by S. Res. 280, and in the House by H. Res. 647.

<sup>114</sup> Sec. 207 as originally enacted was superseded by Public Law 220, 82d Congress, 65 Stat. 655-657, which in turn was repealed by sec. 53 of Public Law 1028, 84th Congress, 70A Stat. 682; the matter is now covered by sec. 1552 of Title 10, U. S. Code (see Public Law 1028, p. 116), as quoted above.

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LEGISLATION ON FOREIGN RELATIONS

under subsection (a) may excuse a failure to file within three years after discovery if it finds it to be in the interest of justice.

(c) The department concerned may pay, from applicable current appropriations, a claim for the loss of pay, allowances, compensation, emoluments, or other pecuniary benefits, or for the repayment of a fine or forfeiture, if, as a result of correcting a record under this section, the amount is found to be due the claimant on account of his or another's service in the Army, Navy, Air Force, Marine Corps, or Coast Guard, as the case may be. If the claimant is dead, the money shall be paid, upon demand, to his legal representative. However, if no demand for payment is made by a legal representative, the money shall be paid—

- (1) to the surviving spouse, heir, or beneficiaries, in the order prescribed by the law applicable to that kind of payment;
- (2) if there is no such law covering order of payment, in the order set forth in section 2771 of this title; or
- (3) as otherwise prescribed by the law applicable to that kind of payment.

A claimant's acceptance of a settlement under this section fully satisfies the claim concerned. This section does not authorize the payment of any claim compensated by private law before October 25, 1951.

(d) Applicable current appropriations are available to continue the pay, allowances, compensation, emoluments, and other pecuniary benefits of any person who was paid under subsection (c), and who, because of the correction of his military record, is entitled to those benefits, but for not longer than one year after the date when his record is corrected under this section if he is not reenlisted in, or appointed or reappointed to, the grade to which those payments relate. Without regard to qualifications for reenlistment, or appointment or reappointment, the Secretary concerned may reenlist a person in, or appoint or reappoint him to, the grade to which payments under this section relate.

(e) No payment may be made under this section for a benefit to which the claimant might later become entitled under the laws and regulations administered by the Administrator of Veterans' Affairs.

(f) The Secretary of Defense for the military departments, and the Secretary of the Treasury for the Coast Guard, shall report to Congress every six months on claims paid under this section during the period covered by the report. The report shall include for each claim the name of the claimant, a brief description of the claim, and a statement of the amount paid.

TEMPORARY APPOINTMENTS--HOUSE OF REPRESENTATIVES

SEC. 208.<sup>115</sup> (a) In case of a vacancy, from whatever cause, in the office of Clerk, Sergeant at Arms, Doorkeeper, Postmaster, or Chaplain, of the House of Representatives, or in case of the incapacity or inability of the incumbent of any such office to perform the duties thereof the Speaker of the House of Representatives may appoint a person to act as, and to exercise temporarily the duties of, Clerk,

<sup>115</sup> Added August 5, 1953, by Public Law 197, 83d Congress, 67 Stat. 387.

Sergeant at Arms, Doorkeeper, Postmaster, or Chaplain as the case may be, until a person is chosen by the House of Representatives and duly qualifies as Clerk, Sergeant at Arms, Doorkeeper, Postmaster, or Chaplain, as the case may be, or until the termination of the incapacity or inability of the incumbent.

(b) Any person appointed pursuant to this section shall exercise all the duties, shall have all the powers, and shall be subject to all the requirements and limitations applicable with respect to one chosen by the House of Representatives to fill the office involved; but nothing in this section shall be held to amend, repeal, or otherwise affect section 7 of the Legislative Branch Appropriation Act, 1943 (2 U. S. C., sec. 75a).

(c) Any person appointed pursuant to this section shall be paid the compensation which he would receive if he were chosen by the House of Representatives to fill the office involved, unless such person is currently serving in any office or position the compensation for which is paid from the funds of the United States, in which case he shall receive no compensation for services rendered pursuant to his appointment under this section, and his compensation for performing the duties of such office other than the one to which he is appointed pursuant to this section shall be in full discharge for all services he performs for the United States while serving in such dual capacity.

#### PART 2—STATUTORY PROVISIONS RELATING TO COMMITTEES OF CONGRESS

##### IMPROVEMENT OF CONGRESSIONAL RECORD

SEC. 221. The Joint Committee on Printing is authorized and directed to provide for printing in the Daily Record the legislative program for the day, together with a list of congressional committee meetings and hearings, and the place of meeting and subject matter; and to cause a brief résumé of congressional activities for the previous day to be incorporated in the Record, together with an index of its contents. Such data shall be prepared under the supervision of the Secretary of the Senate and the Clerk of the House of Representatives, respectively.

##### JOINT COMMITTEE ON PRINTING

SEC. 222. Section 1 of the Act entitled "An Act Providing for the public printing and binding and the distribution of public documents", approved January 12, 1895 (28 Stat. 601), is amended to read as follows: "That there shall be a Joint Committee on Printing, consisting of the chairman and two members of the Committee on Rules and Administration of the Senate and the chairman and two members of the Committee on House Administration of the House of Representatives, who shall have the powers hereinafter stated."

##### JOINT COMMITTEE ON THE LIBRARY

SEC. 223. The Joint Committee of Congress on the Library shall hereafter consist of the chairman and four members of the Committee on Rules and Administration of the Senate and the chairman and four members of the Committee on House Administration of the House of Representatives.

TRANSFER OF FUNCTIONS

SEC. 224. The functions, powers, and duties imposed by statute, resolution, or rule of either House of Congress on the effective date of this section on a standing committee of the Senate or the House of Representatives (or the chairman thereof) are, insofar as they are consistent with this Act, hereby transferred to that standing committee created by this Act (or the chairman thereof) to which is transferred the legislative jurisdiction over the subject matter to which such functions, powers, and duties relate.<sup>116</sup>

JOINT COMMITTEE ON THE ECONOMIC REPORT

SEC. 225. Section 5 (b) (3) (relating to the time for filing the report of the Joint Committee on the Economic Report) of the Employment Act of 1946 is amended by striking out "February 1" and inserting in lieu thereof "March 1".<sup>117</sup>

ECONOMIC REPORT OF THE PRESIDENT

SEC. 226. Section 3 (a) (relating to the time for filing the economic report of the President) of the Employment Act of 1946 is amended by striking out "within 60 days after the beginning of each regular session" and inserting in lieu thereof "not later than January 20 of each year."<sup>118</sup>

PART 3—PROVISIONS RELATING TO CAPITOL AND PAGES

REMODELING OF CAUCUS ROOMS AND RESTAURANTS

SEC. 241. The Architect of the Capitol is authorized and directed to prepare plans and submit them to Congress at the earliest practicable date for the remodeling (a) of the caucus rooms in the Senate and House Office Buildings to provide improved acoustics and seating facilities and for the presentation of motion picture or other visual displays on matters of national interest; and (b) of the Senate and House Restaurants to provide for more convenient dining facilities.<sup>119</sup>

ASSIGNMENT OF CAPITOL SPACE

SEC. 242. The President pro tempore of the Senate and the Speaker of the House of Representatives shall cause a survey to be made of available space within the Capitol which could be utilized for joint committee meetings, meetings of conference committees, and other meetings, requiring the attendance of both Senators and Members of

<sup>116</sup> The last clause of this paragraph which read:

"except that the chairman of the Committee on Civil Service of the Senate and the chairman of the Committee on Post Office and Civil Service of the House created by this Act shall be members of the National Archives Council"

is no longer effective inasmuch as the National Archives Council ceased to exist upon the establishment of the Federal Records Council by Public Law 754, 81st Congress, approved September 5, 1950, 64 Stat. 584 § 504. Members of the Federal Records Council from the legislative branch are now designated by the President of the Senate and the Speaker of the House of Representatives.

<sup>117</sup> As amended February 2, 1948, by Public Law 405, 80th Congress, 62 Stat. 18.

<sup>118</sup> As amended June 18, 1956, by Public Law 591, 84th Congress, 70 Stat. 289.

<sup>119</sup> Executed.

the House of Representatives; and shall recommend the reassignment of such space to accommodate such meetings.

SENATE AND HOUSE PAGES

SEC. 243. (a) The Secretary of the Senate and the Clerk of the House of Representatives, acting jointly, are authorized and directed to enter into an arrangement with the Board of Education of the District of Columbia for the education of Congressional pages and pages of the Supreme Court in the public school system of the District. Such arrangement shall include provision for reimbursement to the District of Columbia for any additional expenses incurred by the public school system of the District in carrying out such arrangement.<sup>120</sup>

(b) There are hereby authorized to be appropriated such sums as may be necessary to reimburse the District of Columbia in accordance with the arrangement referred to in subsection (a).

(c) Notwithstanding the provisions of subsections (a) and (b) of this section, said page or pages may elect to attend a private or parochial school of their own choice: *Provided, however,* That such private or parochial school shall be reimbursed by the Senate and House of Representatives only in the same amount as would be paid if the page or pages were attending a public school under the provisions of paragraphs (a) and (b) of this section.

AUTHORIZATION OF APPROPRIATIONS AND PERSONNEL

SEC. 244. All necessary funds required to carry out the provisions of this Act, by the Secretary of the Senate and the Clerk of the House, are hereby authorized to be appropriated, and the Secretary of the Senate and the Clerk of the House are hereby further authorized to employ such administrative assistants as may be necessary in order to carry out the provisions of this Act under their respective jurisdictions.

EFFECTIVE DATE

SEC. 245. This title shall take effect on the date of its enactment; except that sections 202 (a), (b), (c), (e), (f), and (h), 222, 223, 224, and 243 shall take effect on the day on which the Eightieth Congress convenes.

TITLE III—REGULATION OF LOBBYING ACT

SHORT TITLE

SEC. 301. This title may be cited as the "Federal Regulation of Lobbying Act".

DEFINITIONS

SEC. 302. When used in this title—

(a) The term "contribution" includes a gift, subscription, loan, advance, or deposit of money or anything of value and includes a

<sup>120</sup> The act of March 22, 1947 (Public Law 20, 80th Cong., 61 Stat. 15), made these educational facilities available, after January 2, 1947, for the education of "such other minors who are congressional employees as may be certified by the Secretary of the Senate and the Clerk of the House of Representatives to receive such education."

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contract, promise, or agreement, whether or not legally enforceable, to make a contribution.

(b) The term "expenditure" includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure.

(c) The term "person" includes an individual, partnership, committee, association, corporation, and any other organization or group of persons.

(d) The term "Clerk" means the Clerk of the House of Representatives of the United States.

(e) The term "legislation" means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House.

DETAILED ACCOUNTS OF CONTRIBUTIONS

SEC. 303. (a) It shall be the duty of every person who shall in any manner solicit or receive a contribution to any organization or fund for the purposes hereinafter designated to keep a detailed and exact account of—

(1) all contributions of any amount or of any value whatsoever;

(2) the name and address of every person making any such contribution of \$500 or more and the date thereof;

(3) all expenditures made by or on behalf of such organization or fund; and

(4) the name and address of every person to whom any such expenditure is made and the date thereof.

(b) It shall be the duty of such person to obtain and keep a receipted bill, stating the particulars, for every expenditure of such funds exceeding \$10 in amount, and to preserve all receipted bills and accounts required to be kept by this section for a period of at least two years from the date of the filing of the statement containing such items.

RECEIPTS FOR CONTRIBUTIONS

SEC. 304. Every individual who receives a contribution of \$500 or more for any of the purposes hereinafter designated shall within five days after receipt thereof render<sup>121</sup> to the person or organization for which such contribution was received a detailed account thereof, including the name and address of the person making such contribution and the date on which received.

STATEMENTS TO BE FILED WITH CLERK OF HOUSE

SEC. 305. (a) Every person receiving any contributions or expending any money for the purposes designated in subparagraph (a) or (b) of section 307 shall file with the Clerk between the first and tenth day of each calendar quarter, a statement containing complete as of the day next preceding the date of filing—

<sup>121</sup> As in original. It should read "render".

(1) the name and address of each person who has made a contribution of \$500 or more not mentioned in the preceding report; except that the first report filed pursuant to this title shall contain the name and address of each person who has made any contribution of \$500 or more to such person since the effective date of this title;

(2) the total sum of the contributions made to or for such person during the calendar year and not stated under paragraph (1);

(3) the total sum of all contributions made to or for such person during the calendar year;

(4) the name and address of each person to whom an expenditure in one or more items of the aggregate amount or value, within the calendar year, of \$10 or more has been made by or on behalf of such person, and the amount, date, and purpose of such expenditure;

(5) the total sum of all expenditures made by or on behalf of such person during the calendar year and not stated under paragraph (4);

(6) the total sum of expenditures made by or on behalf of such person during the calendar year.

(b) The statements required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous statement only the amount need be carried forward.

STATEMENT PRESERVED FOR TWO YEARS

SEC. 306. A statement required by this title to be filed with the Clerk—

(a) shall be deemed properly filed when deposited in an established post office within the prescribed time, duly stamped, registered, and directed to the Clerk of the House of Representatives of the United States, Washington, District of Columbia, but in the event it is not received, a duplicate of such statement shall be promptly filed upon notice by the Clerk of its nonreceipt;

(b) shall be preserved by the Clerk for a period of two years from the date of filing, shall constitute part of the public records of his office, and shall be open to public inspection.

PERSONS TO WHOM APPLICABLE

SEC. 307. The provisions of this title shall apply to any person (except a political committee as defined in the Federal Corrupt Practices Act, and duly organized State or local committees of a political party), who by himself, or through any agent or employee or other persons in any manner whatsoever, directly or indirectly, solicits, collects, or receives money or any other thing of value to be used principally to aid, or the principal purpose of which person is to aid, in the accomplishment of any of the following purposes:

(a) The passage or defeat of any legislation by the Congress of the United States.

(b) To influence, directly or indirectly, the passage or defeat of any legislation by the Congress of the United States.

REGISTRATION WITH SECRETARY OF THE SENATE AND CLERK OF THE HOUSE

SEC. 308. (a) Any person who shall engage himself for pay or for any consideration for the purpose of attempting to influence the passage or defeat of any legislation by the Congress of the United States shall, before doing anything in furtherance of such object, register with the Clerk of the House of Representatives and the Secretary of the Senate and shall give to those officers in writing and under oath, his name and business address, the name and address of the person by whom he is employed, and in whose interest he appears or works, the duration of such employment, how much he is paid and is to receive, by whom he is paid or is to be paid, how much he is to be paid for expenses, and what expenses are to be included. Each such person so registering shall, between the first and tenth day of each calendar quarter, so long as his activity continues, file with the Clerk and Secretary a detailed report under oath of all money received and expended by him during the preceding calendar quarter in carrying on his work; to whom paid; for what purposes; and the names of any papers, periodicals, magazines, or other publications in which he has caused to be published any articles or editorials; and the proposed legislation he is employed to support or oppose. The provisions of this section shall not apply to any person who merely appears before a committee of the Congress of the United States in support of or opposition to legislation; nor to any public official acting in his official capacity; nor in the case of any newspaper or other regularly published periodical (including any individual who owns, publishes, or is employed by any such newspaper or periodical) which in the ordinary course of business publishes news items, editorials, or other comments, or paid advertisements, which directly or indirectly urge the passage or defeat of legislation, if such newspaper, periodical, or individual, engages in no further or other activities in connection with the passage or defeat of such legislation, other than to appear before a committee of the Congress of the United States in support of or in opposition to such legislation.

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the Congressional Record.

REPORTS AND STATEMENTS TO BE MADE UNDER OATH

SEC. 309. All reports and statements required under this title shall be made under oath, before an officer authorized by law to administer oaths.

PENALTIES

SEC. 310. (a) Any person who violates any of the provisions of this title, shall, upon conviction, be guilty of a misdemeanor, and shall be punished by a fine of not more than \$5,000 or imprisonment for not more than twelve months, or by both such fine and imprisonment.

(b) In addition to the penalties provided for in subsection (a), any person convicted of the misdemeanor specified therein is prohibited,

for a period of three years from the date of such conviction, from attempting to influence, directly or indirectly, the passage or defeat of any proposed legislation or from appearing before a committee of the Congress in support of or opposition to proposed legislation; and any person who violates any provision of this subsection shall, upon conviction thereof, be guilty of a felony, and shall be punished by a fine of not more than \$10,000, or imprisonment for not more than five years, or by both such fine and imprisonment.

EXEMPTION

SEC. 311. The provisions of this title shall not apply to practices or activities regulated by the Federal Corrupt Practices Act nor be construed as repealing any portion of said Federal Corrupt Practices Act.

TITLE IV—FEDERAL TORT CLAIMS ACT<sup>122</sup>

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TITLE V—GENERAL BRIDGE ACT<sup>123</sup>

\* \* \* \* \*

TITLE VI—COMPENSATION AND RETIREMENT PAY OF  
MEMBERS OF CONGRESS

COMPENSATION OF MEMBERS OF CONGRESS

SEC. 601. (a)<sup>124</sup> The compensation of Senators, Representatives in Congress, Delegates from the Territories, and the Resident Commissioner from Puerto Rico shall be at the rate of \$22,500 per annum each; and the compensation of the Speaker of the House of Representatives<sup>125</sup> shall be at the rate of \$35,000 per annum.

(b).<sup>126</sup>

(c).<sup>127</sup>

(d).<sup>128</sup>

<sup>122</sup> The Federal Tort Claims Act (secs. 401–423), as amended, was repealed by the act of June 25, 1948 (Public Law 773, 80th Cong., 62 Stat. 1008). Its provisions were incorporated into ch. 171 of the Judicial Code (62 Stat. 982–985, secs. 2671–2680, title 28, U. S. C.—Judiciary and Judicial Proceedings) as amended by the act of April 25, 1949 (63 Stat. 62), the act of May 24, 1949 (63 Stat. 106), and the act of July 16, 1949 (63 Stat. 444). Sec. 424 related to inapplicable statutes and its repeal was not considered necessary.

<sup>123</sup> The General Bridge Act of 1946, as amended, is contained in title 33 of the U. S. C., secs. 525–533.

<sup>124</sup> As amended March 2, 1955 by Public Law 9, 84th Congress, 69 Stat. 11 § 4. The Act originally provided compensation at the rate of \$12,500 for Senators, Representatives, Delegates, and the Resident Commissioner, and at the rate of \$20,000 for the Speaker of the House.

<sup>125</sup> The words "and the Vice President of the United States," originally appeared at this point, but were deleted by Public Law 9, 84th Congress, 69 Stat. 11 § 4 (a); sec. 4 (c) of the same Act increased the salary of the Vice President from \$30,000 (by Act of January 19, 1949, 63 Stat. 4), to \$35,000.

<sup>126</sup> Repealed March 2, 1955, by sec. 4 (b) of Public Law 9, 84th Congress, thus abolishing the \$2,500 expense allowance for Members of Congress. This subsection read: "Effective on the day on which the Eightieth Congress convenes there shall be paid to each Senator, Representative in Congress, Delegate from the Territories, Resident Commissioner from Puerto Rico, an expense allowance of \$2,500 per annum to assist in defraying expenses relating to, or resulting from the discharge of his official duties, for which, no accounting, other than for income tax purposes shall be made, such sum to be paid in equal monthly installments."

<sup>127</sup> Executed.  
This subsection repealed an earlier provision relating to expense allowance for Representatives, etc.

<sup>128</sup> Executed.  
This subsection repealed an earlier provision relating to expense allowance for Senators.

RETIREMENT PAY OF MEMBERS OF CONGRESS

SEC. 602.<sup>128</sup>

<sup>128</sup> Section 602, as enacted, read:

"Sec. 602. (a) Section 3 (a) of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by inserting after the words 'elective officers' the words 'in the executive branch of the Government'.

"(b) Such Act, as amended, is further amended by adding after section 8 the following new section:

"Sec. 3A. Notwithstanding any other provision of this Act—

"(1) This Act shall not apply to any Member of Congress until he gives notice in writing, while serving as a Member of Congress, to the disbursing officer by whom his salary is paid of his desire to come within the purview of this Act. Such notice may be given by a Member of Congress within six months after the date of enactment of the Legislative Reorganization Act of 1946 or within six months after any date on which he takes an oath of office as a Member of Congress.

"(2) In the case of any Member of Congress who gives notice of his desire to come within the purview of this Act, the amount required to be deposited for the purposes of section 9 with respect to services rendered after the date of enactment of the Legislative Reorganization Act of 1946, shall be a sum equal to 6 per centum of his basic salary, pay, or compensation for such services, together with interest computed at the rate of 4 per centum per annum compounded on December 31 of each year; and the amount to be deducted and withheld from the basic salary, pay, or compensation of each such Member of Congress for the purposes of section 10 shall be a sum equal to 6 per centum of such basic salary, pay, or compensation.

"(3) No person shall be entitled to receive an annuity as provided in this section until he shall have become separated from the service after having had at least six years of service as a Member of Congress and have attained the age of sixty-two years, except that any such Member who shall have had at least five years of service as a Member of Congress, may, subject to the provisions of section 6 and of paragraph (4) of this section, be retired for disability, irrespective of age, and be paid an annuity computed in accordance with paragraph (5) of this section.

"(4) No Member of Congress shall be entitled to receive an annuity under this Act unless there shall have been deducted and withheld from his basic salary, pay, or compensation for the last five years of his service as a Member of Congress, or there shall have been deposited under section 9 with respect to such last five years of service, the amounts specified in paragraph (2) of this section with respect to so much of such five years of service as was performed after the date of enactment of the Legislative Reorganization Act of 1946 and the amounts specified in section 9 with respect to so much of such five years of service as was performed prior to such date.

"(5) Subject to the provisions of section 9 and of subsections (c) and (d) of section 4, the annuity of a Member of Congress shall be an amount equal to 2½ per centum of his average annual basic salary, pay, or compensation as a Member of Congress multiplied by his years of service as a Member of Congress, but no such annuity shall exceed an amount equal to three-fourths of the salary, pay, or compensation that he is receiving at the time he becomes separated from the service.

"(6) In the case of a Member of Congress who becomes separated from the service before he completes an aggregate of six years of service as a Member of Congress, and who is not retired for disability, the total amount deducted from his basic salary, pay, or compensation as a Member of Congress, together with interest at 4 per centum compounded as of December 31 of each year shall be returned to such Member of Congress. No such Member of Congress shall thereafter become eligible to receive an annuity as provided in this section unless the amounts so returned are redeposited with interest at 4 per centum compounded on December 31 of each year, but interest shall not be required covering any period of separation from the service.

"(7) If any person takes office as a Member of Congress while receiving an annuity as provided in this section, the payment of such annuity shall be suspended during the period for which he holds such office; but, if he gives notice as provided in paragraph (2) of this section, his service as a Member of Congress during such period shall be credited in determining the amount of his subsequent annuity.

"(8) Nothing contained in this Act shall be construed to prevent any person eligible thereto from simultaneously receiving an annuity computed in accordance with this section and an annuity computed in accordance with section 4, but in computing the annuity under section 4 in the case of any person who (A) has had at least six years' service as a Member of Congress, and (B) has served as a Member of Congress at any time after the date of enactment of the Legislative Reorganization Act of 1946, service as a Member of Congress shall not be credited.

"(9) No provision of this or any other Act relating to automatic separation from the service shall be applicable to any Member of Congress.

"(10) As used in this section, the term "Member of Congress" means a Senator, Representative in Congress, Delegate from a Territory, or the Resident Commissioner from Puerto Rico; and the term "service as a Member of Congress" shall include the period from the date of the beginning of the term for which a Member of Congress is elected or appointed to the date on which he takes office as such a Member."

"Approved August 2, 1946."

This entire section has been superseded by Title IV of Public Law 854, 84th Congress, approved July 31, 1956 (70 Stat. 743-761), which is a complete revision of the Civil Service Retirement Act of 1930.<sup>130</sup>

Briefly the 1956 Act as applicable to Members of Congress provides:

*Coverage.*—Members of Congress (including the Vice President, Senators, Representatives, Delegates from Territories and the Resident Commissioner from Puerto Rico) come under the civil service retirement system on a voluntary basis only, by filing notice of intention to do so.

*Deductions and deposits.*—Starting October 31, 1956, a Member is required to pay 7½ percent of his basic salary into the Civil Service Retirement Fund. He may obtain credit for past civilian service after July 31, 1920, for which no retirement deposits have been made, by depositing with interest an amount equal to the following percentages of basic salary received for such service:

	Percent
Aug. 1, 1920 to June 30, 1926	2½
July 1, 1926 to June 30, 1942	3½
July 1, 1942, to Aug. 1, 1946	5
Aug. 2, 1946 to Oct. 31, 1956	6
After Oct. 31, 1956	7½

*Age and length of service.*—A Member may retire at age 62 after completing five years' Member service, or at age 60 after ten years' Member service on an annuity as computed in section "9" of the Act; but in no case shall an annuity exceed 80 percent of basic salary at time of separation.

A Member may retire on a reduced annuity at age 55 after thirty years' service, or at age 50 after twenty years' service.

A Member may retire on disability if he completes five years' service and is found by the Commission to have become disabled.

*Survivor annuities.*—If a Member dies after retirement and is survived by a wife or dependent husband, such spouse is entitled to an annuity equal to 50 percent of the Member's annuity, provided that the Member had elected to take a reduced annuity in order to provide for the spouse's survivor annuity.

<sup>130</sup> Amended August 27, 1958, by P. L. 85-772, 72 Stat. 930.

#### 4. International Claims Settlement Act of 1949, as Amended

Text of Public Law 455, 81st Congress (H. R. 4406), 64 Stat. 12, approved March 10, 1950, as amended by Public Law 242, 83d Congress (H. R. 5742), 67 Stat. 506, approved August 8, 1953, by Public Law 285 (H. R. 6382), 69 Stat. 562, approved August 9, 1955, and by Public Law 85-604 (S. 3557), 72 Stat. 527, approved August 18, 1958.

AN ACT To provide for the settlement of certain claims of the Government of the United States on its own behalf and on behalf of American nationals against foreign governments.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "International Claims Settlement Act of 1949".*

#### TITLE I<sup>1</sup>

SEC. 2. For the purposes of this Title—

(a) The term "person" shall include an individual, partnership, corporation, or the Government of the United States.

(b) The term "United States" when used in a geographical sense shall include the United States, its Territories and insular possessions, and the Canal Zone.

(c) The term "nationals of the United States" includes (1) persons who are citizens of the United States, and (2) persons who, though not citizens of the United States, owe permanent allegiance to the United States. It does not include aliens.

(d) The term "Yugoslav Claims Agreement of 1948" means the agreement between the Governments of the United States of America and of the Federal People's Republic of Yugoslavia regarding pecuniary claims of the United States and its nationals, signed July 19, 1948.

SEC. 3. (a) There is hereby established in the Department of State a commission to be known as the International Claims Commission of the United States<sup>2</sup> (hereinafter referred to as the "Commission") and to be composed of three persons, to be appointed by the President by and with the advice and consent of the Senate. One of such members shall be designated by the President as the Chairman of the Commission and each shall receive compensation at the rate of \$15,000 per annum. Two members of the Commission shall constitute a quorum for the transaction of business. Any vacancy that may occur in the membership of the Commission shall be filled in the same manner as in the case of an original appointment: *Provided*, That in the event of the death, resignation, absence, or disability of a member, the President may designate an acting member from among persons in the judicial or in the executive branch of the Government (includ-

<sup>1</sup> 22 U. S. C. Chapter 21, Subchapter I. Designated "Title I" by Public Law 285, approved August 9, 1953.

<sup>2</sup>The International Claims Commission was abolished and its functions were transferred to the Foreign Claims Settlement Commission of the United States by Reorganization Plan No. 1, 1954, effective July 1, 1954, 19 F. R. 3985, 68 Stat. 1279.

ing employees of the Commission), who possess the qualifications prescribed by this subsection, to temporarily perform without additional compensation the duties of the member until a successor is appointed or the absence or disability of the member shall cease.

(b) The principal office of the Commission shall be in the District of Columbia. The Secretary of State, in accordance with the provisions of the civil-service laws and the Classification Act of 1923, as amended,<sup>3</sup> upon the recommendation of the Commission, may appoint and fix the compensation of an executive director, and of officers, attorneys, investigators, and other employees.

(c) The Commission may prescribe such rules and regulations as may be necessary to enable it to carry out its functions, and may delegate functions to any member, officer, or employee of the Commission. The President may fix a termination date for the authority of the Commission, and the terms of office of its members under this Title. Any member of the Commission may be removed by the Secretary of State,<sup>4</sup> upon notice and hearing, for neglect of duty, or malfeasance in office, but for no other cause. Not later than six months after its organization, and every six months thereafter, the Commission shall make a report, through the Secretary of State,<sup>4</sup> to the Congress concerning its operations under this Title. The Commission shall, upon completion of its work, certify in duplicate to the Secretary of State and to the Secretary of the Treasury the following: (1) A list of all claims disallowed; (2) a list of all claims allowed, in whole or in part, together with the amount of each claim and the amount awarded thereon; and (3) a copy of the decision rendered in each case. No members of such Commission shall be appointed after the effective date of this Title until such Commission is reorganized by further Act of Congress but acting members may be designated by the President as provided by this section, who shall receive no compensation from the funds appropriated by H. R. 6200 for defraying the expenses of such Commission.<sup>5</sup>

SEC. 4. (a) The Commission shall have jurisdiction to receive, examine, adjudicate, and render final decisions with respect to claims of the Government of the United States and of nationals of the United States included within the terms of the Yugoslav Claims Agreement of 1948, or included within the terms of any claims agreement hereafter concluded between the Government of the United States and a foreign government (exclusive of governments against which the United States declared the existence of a state of war during World War II) similarly providing for the settlement and discharge of claims of the Government of the United States and of nationals of the United States against a foreign government, arising out of the nationalization or other taking of property, by the agreement of the Government of the United States to accept from that government a sum in en bloc settlement thereof. In the decision of claims under this Title, the Commission shall apply the following in the following order: (1) The provisions of the applicable claims agreement as provided in

<sup>3</sup> The Classification Act of 1923, as amended, was repealed by the Classification Act of 1949 which was enacted after the introduction of H. R. 4406. No correction was made.

<sup>4</sup> The functions of the Secretary of State under these sentences were abolished and transferred to the Foreign Claims Settlement Commission by Reorganization Plan No. 1, 1954.

<sup>5</sup> H. R. 6200 is the Supplemental Appropriation Act, 1954, Act of Aug. 7, 1953, 67 Stat. 418.

this subsection; and (2) the applicable principles of international law, justice, and equity.

(b) The Commission shall give public notice of the time when, and the limit of time within which, claims may be filed, which notice shall be published in the Federal Register. In addition, the Commission is authorized and directed to mail a similar notice to the last-known address of each person appearing in the records of the Department of State as having indicated an intention of filing a claim with respect to a matter concerning which the Commission has jurisdiction under this Title. All decisions shall be upon such evidence and written legal contentions as may be presented within such period as may be prescribed therefor by the Commission, and upon the results of any independent investigation of cases which the Commission may deem it advisable to make. Each decision by the Commission pursuant to this Title shall be by majority vote, and shall state the reason for such decision, and shall constitute a full and final disposition of the case in which the decision is rendered.

(c) Any member of the Commission, or any employee of the Commission, designated in writing by the Chairman of the Commission, may administer oaths and examine witnesses. Any member of the Commission may require by subpena the attendance and testimony of witnesses, and the production of all necessary books, papers, documents, records, correspondence, and other evidence, from any place in the United States at any designated place of inquiry or of hearing. The Commission is authorized to contract for the reporting of inquiries or of hearings. Witnesses summoned before the Commission shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. In case of disobedience to a subpena, the aid of any district court of the United States, as constituted by chapter 5 of title 28, United States Code (28 U. S. C. 81 and the following), and the United States court of any Territory or other place subject to the jurisdiction of the United States may be invoked in requiring the attendance and testimony of witnesses and the production of such books, papers, documents, records, correspondence, and other evidence. Any such court within the jurisdiction of which the inquiry or hearing is carried on may, in case of contumacy or refusal to obey a subpena issued to any person, issue an order requiring such person to appear or to give evidence touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(d) The Commission may order testimony to be taken by deposition in any inquiry or hearing pending before it at any stage of such proceeding or hearing. Such depositions may be taken, under such regulations as the Commission may prescribe, before any person designated by the Commission and having power to administer oaths. Any person may be compelled to appear and depose, and to produce books, papers, documents, records, correspondence, and other evidence in the same way as witnesses may be compelled to appear and testify and produce documentary evidence before the Commission, as hereinabove provided. If a witness whose testimony may be desired to be taken by deposition be in a foreign country, the deposition may be taken, provided the laws of the foreign country so permit, by a consular officer, or by an officer or employee of the Commission, or other

person commissioned by the Commission, or under letters rogatory issued by the Commission. Witnesses whose depositions are taken as authorized in this subsection, and the persons taking the same, shall severally be entitled to the same fees as are paid for like services in the courts of the United States.

(e) In addition to the penalties provided in title 18, United States Code, section 1001, any person guilty of any act, as provided therein, with respect to any matter under this Title, shall forfeit all rights under this Title, and, if payment shall have been made or granted, the Commission shall take such action as may be necessary to recover the same.

(f) In connection with any claim decided by the Commission pursuant to this Title in which an award is made, the Commission may, upon the written request of the claimant or any attorney heretofore or hereafter employed by such claimant, determine and apportion the just and reasonable attorney's fees for services rendered with respect to such claim, but the total amount of the fees so determined in any case shall not exceed 10 per centum of the total amount paid pursuant to the award. Written evidence that the claimant and any such attorney have agreed to the amount of the attorney's fees shall be conclusive upon the Commission: *Provided, however,* That the total amount of the fees so agreed upon does not exceed 10 per centum of the total amount paid pursuant to the award. Any fee so determined shall be entered as a part of such award, and payment thereof shall be made by the Secretary of the Treasury by deducting the amount thereof from the total amount paid pursuant to the award. Any agreement to the contrary shall be unlawful and void. The Commission is authorized and directed to mail to each claimant in proceedings before the Commission notice of the provisions of this subsection. Whoever, in the United States or elsewhere, pays or offers to pay, or promises to pay, or receives on account of services rendered or to be rendered in connection with any such claim, compensation which, when added to any amount previously paid on account of such services, will exceed the amount of fees so determined by the Commission, shall be guilty of a misdemeanor, and, upon conviction thereof, shall be fined not more than \$5,000 or imprisoned not more than twelve months, or both, and if any such payment shall have been made or granted, the Commission shall take such action as may be necessary to recover the same, and, in addition thereto, any such person shall forfeit all rights under this title.

(g) The Attorney General shall assign such officers and employees of the Department of Justice as may be necessary to represent the United States as to any claims of the Government of the United States with respect to which the Commission has jurisdiction under this title. Any and all payments required to be made by the Secretary of the Treasury under this title pursuant to any award made by the Commission to the Government of the United States shall be covered into the Treasury to the credit of miscellaneous receipts.

(h) The Commission shall notify all claimants of the approval or denial of their claims, stating the reasons and grounds therefor, and, if approved, shall notify such claimants of the amount for which such claims are approved. Any claimant whose claim is denied, or

is approved for less than the full amount of such claim, shall be entitled, under such regulations as the Commission may prescribe, to a hearing before the Commission, or its duly authorized representatives, with respect to such claim. Upon such hearing, the Commission may affirm, modify, or revise its former action with respect to such claim, including a denial or reduction in the amount theretofore allowed with respect to such claim. The action of the Commission in allowing or denying any claim under this title shall be final and conclusive on all questions of law and fact and not subject to review by the Secretary of State or any other official, department, agency, or establishment of the United States or by any court by mandamus or otherwise.

(i) The Commission may in its discretion enter an award with respect to one or more items deemed to have been clearly established in an individual claim while deferring consideration and action on other items of the same claim.

(j) The Commission shall comply with the provisions of the Administrative Procedure Act of 1946<sup>6</sup> except as otherwise specifically provided by this title.

SEC. 5. The Commission shall, as soon as possible, and in the order of the making of such awards, certify to the Secretary of the Treasury and to the Secretary of State copies of the awards made in favor of the Government of the United States or of nationals of the United States under this Title. The Commission shall certify to the Secretary of State, upon his request, copies of the formal submissions of claims filed pursuant to subsection (b) of section 4 of this Act for transmission to the foreign government concerned.

SEC. 6. The Commission shall complete its affairs in connection with settlement of United States-Yugoslav claims arising under the Yugoslav Claims Agreement of 1948 not later than December 31, 1954.<sup>7</sup> *Provided*, That nothing in this provision shall be construed to limit the life of the Commission, or its authority to act on future agreements which may be effected under the provisions of this legislation.

SEC. 7. (a) Subject to the limitations hereinafter provided, the Secretary of the Treasury is authorized and directed to pay, as prescribed by section 8 of this Title, an amount not exceeding the principal of each award, plus accrued interests on such awards as bear interest, certified pursuant to section 5 of this Title, in accordance with the award. Such payments, and applications for such payments, shall be made in accordance with such regulations as the Secretary of the Treasury may prescribe.

(b) There shall be deducted from the amount of each payment made pursuant to subsection (c) of section 8, as reimbursement for the expenses incurred by the United States, an amount equal to 5<sup>8</sup> per centum of such payment. All amounts so deducted shall be covered into the Treasury to the credit of miscellaneous receipts.

(c) Payments made pursuant to this Title shall be made only to the person or persons on behalf of whom the award is made, except that—

<sup>6</sup> 5 U. S. C., § 1001.

<sup>7</sup> Public Law 242, approved August 8, 1953, substituted "December 31, 1954:" for "not later than four years following enactment of this Act;" (March 10, 1950).

<sup>8</sup> Public Law 242, approved August 8, 1953, substituted "5" for "3".

(1) if such person is deceased or is under a legal disability, payment shall be made to his legal representative: *Provided*, That if the total award is not over \$500 and there is no qualified executor or administrator, payment may be made to the person or persons found by the Comptroller General of the United States to be entitled thereto, without the necessity of compliance with the requirements of law with respect to the administration of estates;

(2) in the case of a partnership or corporation, the existence of which has been terminated and on behalf of which an award is made, payment shall be made, except as provided in paragraphs (3) and (4), to the person or persons found by the Comptroller General of the United States to be entitled thereto;

(3) if a receiver or trustee for any such partnership or corporation has been duly appointed by a court of competent jurisdiction in the United States and has not been discharged prior to the date of payment, payment shall be made to such receiver or trustee in accordance with the order of the court;

(4) if a receiver or trustee for any such partnership or corporation, duly appointed by a court of competent jurisdiction in the United States, makes an assignment of the claim, or any part thereof, with respect to which an award is made, or makes an assignment of such award, or any part thereof, payment shall be made to the assignee, as his interest may appear; and

(5) in the case of any assignment of an award, or any part thereof, which is made in writing and duly acknowledged and filed, after such award is certified to the Secretary of the Treasury, payment may, in the discretion of the Secretary of the Treasury, be made to the assignee, as his interest may appear.

(d) Whenever the Secretary of the Treasury, or the Comptroller General of the United States, as the case may be, shall find that any person is entitled to any such payment, after such payment shall have been received by such person, it shall be an absolute bar to recovery by any other person against the United States, its officers, agents, or employees with respect to such payment.

(e) Any person who makes application for any such payment shall be held to have consented to all the provisions of this Title.

(f) Nothing in this Title shall be construed as the assumption of any liability by the United States for the payment or satisfaction, in whole or in part, of any claim on behalf of any national of the United States against any foreign government.

SEC. 8. (a) There are hereby created in the Treasury of the United States (1) a special fund to be known as the Yugoslav Claims Fund; and (2) such other special funds as may, in the discretion of the Secretary of the Treasury, be required, each to be a claims fund to be known by the name of the foreign government which has entered into a settlement agreement with the Government of the United States as described in subsection (a) of section 4 of this Title. There shall be covered into the Treasury to the credit of the proper special fund all funds hereinafter specified. All payments authorized under section 7 of this Title shall be disbursed from the proper fund, as the case may be, and all amounts covered into the Treasury to the credit of the

aforesaid funds are hereby permanently appropriated for the making of the payments authorized by section 7 of this Title.

(b) The Secretary of the Treasury is authorized and directed to cover into—

(1) the Yugoslav Claims Fund the sum of \$17,000,000 being the amount paid by the Government of the Federal People's Republic of Yugoslavia pursuant to the Yugoslav Claims Agreement of 1948;

(2) a special fund created for that purpose pursuant to subsection (a) of this section any amounts hereafter paid, in United States dollars, by a foreign government which has entered into a claims settlement agreement with the Government of the United States as described in subsection (a) of section 4 of this Title.

(c) The Secretary of the Treasury is authorized and directed out of the sums covered into any of the funds pursuant to subsection (b) of this section, and after making the deduction provided for in section 7 (b) of this Title—

(1) to make payments in full of the principal of awards of \$1,000 or less, certified pursuant to section 5 of this Title;

(2) to make payments of \$1,000 on the principal of each award of more than \$1,000 in principal amount, certified pursuant to section 5 of this Title;

(3) to make additional payment of not to exceed 25 per centum of the unpaid principal of awards in the principal amount of more than \$1,000;

(4) after completing the payments prescribed by paragraphs (2) and (3) of this subsection, to make payments, from time to time in ratable proportions, on account of the unpaid principal of all awards in the principal amount of more than \$1,000, according to the proportions which the unpaid principal of such awards bear to the total amount in the fund available for distribution at the time such payments are made; and

(5) after payment has been made of the principal amounts of all such awards, to make pro rata payments on account of accrued interest on such awards as bear interest.

(d) The Secretary of the Treasury, upon the concurrence of the Secretary of State, is authorized and directed, out of the sum covered into the Yugoslav Claims Fund pursuant to subsection (b) of this section, after completing the payments of such funds pursuant to subsection (c) of this section, to make payment of the balance of any sum remaining in such fund to the Government of the Federal People's Republic of Yugoslavia to the extent required under article 1 (c) of the Yugoslav Claims Agreement of 1948. The Secretary of State shall certify to the Secretary of the Treasury the total cost of adjudication, not borne by the claimants, attributable to the Yugoslav Claims Agreement of 1948. Such certification shall be final and conclusive and shall not be subject to review by any other official or department, agency, or establishment of the United States.

SEC. 9. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to enable the Commission to carry out its functions under this Title.

## TITLE II<sup>9</sup>

### VESTING AND LIQUIDATION OF BULGARIAN, HUNGARIAN, AND RUMANIAN PROPERTY

SEC. 201. As used in this title the term—

(1) "Person" means a natural person, partnership, association, other unincorporated body, corporation, or body politic.

(2) "Property" means any property, right, or interest.

(3) "Treaty of peace," with respect to a country, means the treaty of peace with that country signed at Paris, France, February 10, 1947,<sup>10</sup> which came into force between that country and the United States on September 15, 1947.

SEC. 202. (a) In accordance with article 25 of the treaty of peace with Bulgaria, article 29 of the treaty of peace with Hungary, and article 27 of the treaty of peace with Rumania, any property which was blocked in accordance with Executive Order 8389 of April 10, 1940,<sup>11</sup> as amended, and remains blocked on the effective date of this title, and which, as of September 15, 1947, was owned directly or indirectly by Bulgaria, Hungary, and Rumania or by any national thereof as defined in such Executive order, shall vest in such officer or agency as the President may from time to time designate<sup>12</sup> and shall vest when, as, and upon such terms as the President or his designee shall direct. Such property shall be sold or otherwise liquidated as expeditiously as possible after vesting under such rules and regulations as the President or his designee may prescribe. The net proceeds remaining upon completion of the administration and liquidation thereof, including the adjudication of any suits or claims with respect thereto under sections 207 and 208, shall be covered into the Treasury. Notwithstanding the preceding provisions of this subsection, any such property determined by the President or his designee to be owned directly by a natural person shall not be vested under this subsection but shall remain blocked subject to release when, as, and upon such terms as the President or his designee may prescribe. If, at any time within one year from the date of the vesting of any property under this subsection, the President or his designee shall determine that it was directly owned at the date of vesting by a natural person, then the President or his designee shall divest such property and restore it to its blocked status prior to vesting, subject to release when, as, and upon such terms as the President or his designee may prescribe, or if such property has been liquidated, shall divest the net proceeds thereof and carry them in blocked accounts with the Treasury, bearing no interest, in the name of the owner thereof at the date of vesting,

<sup>9</sup> 22 U. S. C., chapter 21, subchapter II. Titles II and III were added by Public Law 285, approved August 9, 1945.

<sup>10</sup> 61 Stat. pt. 2.

<sup>11</sup> 5 F. R. 1400; 3 C. F. R. Cum. Supp., p. 645.

<sup>12</sup> Executive Order No. 10644, November 8, 1955, 20 F. R. 8363 provided:  
"SECTION 1. The Attorney General, and, as designated by the Attorney General for this purpose, any Assistant Attorney General are hereby designated and empowered to perform the functions conferred by the said Title II of the International Claims Settlement Act of 1949 [this subchapter] upon the President, and the functions conferred by that title upon any designee of the President.

"SEC. 2. The Attorney General is hereby designated as the officer in whom property shall vest under the said Title II [this subchapter].

"SEC. 3. As used in this order, the term 'functions' includes duties, powers, responsibilities, authority and discretion, and the term 'perform' may be construed to include 'exercise'."

subject to release when, as, and upon such terms as the President or his designee may prescribe.

(b) The net proceeds of any property which was vested in the Alien Property Custodian or the Attorney General after December 17, 1941, pursuant to the Trading With the Enemy Act, as amended,<sup>13</sup> and which at the date of vesting was owned directly or indirectly by Bulgaria, Hungary, or Rumania, or any national thereof, shall after completion of the administration, liquidation, and disposition of such property pursuant to such Act, including the adjudication of any suits or claims with respect thereto under such Act, be covered into the Treasury, except that the net proceeds of any such property which the President or his designee shall determine was directly owned by a natural person at the date of vesting shall be divested by the President or such officer or agency as he may designate and carried in blocked accounts with the Treasury, bearing no interest, in the name of the owner thereof at the date of vesting, subject to release when, as, and upon such terms as the President or his designee may prescribe.

(c) The determination under this section that any vested property was not directly owned by a natural person at the date of vesting shall be within the sole discretion of the President or his designee and shall not be subject to review by any court.

(d) The President or his designee may require any person to furnish, in the form of reports or otherwise, complete information, including information with regard to past transactions, relative to any property blocked under Executive Order 8389 of April 10, 1940, as amended,<sup>14</sup> or as may be otherwise necessary to enforce the provisions of this section; and the President or his designee may require of any person the production of any books of account, records, contracts, letters, memoranda, or other papers relative to such property or as may be otherwise necessary to enforce the provisions of this section.

SEC. 203. Whenever shares of stock or other beneficial interest in any corporation, association, or company or trust are vested in any officer or agency designated by the President under this title, it shall be the duty of the corporation, association, or company or trustee or trustees issuing such shares or any certificates or other instruments representing the same or any other beneficial interest to cancel such shares of stock or other beneficial interest upon its, his, or their books and in lieu thereof to issue certificates or other instruments for such shares or other beneficial interest to the designee of the President, or otherwise as such designee shall require.

SEC. 204. Any vesting order, or other order or requirement issued pursuant to this title, or a duly certified copy thereof, may be filed, registered, or recorded in any office for the filing, registering, or recording of conveyances, transfers, or assignments of such property as may be covered by such order or requirement; and if so filed, registered, or recorded shall impart the same notice and have the same force and effect as a duly executed conveyance, transfer, or assignment so filed, registered, or recorded.

SEC. 205. Any payment, conveyance, transfer, assignment, or delivery of property made to the President or his designee pursuant to

<sup>13</sup> 40 Stat. 411; 50 U. S. C. App. 1.

<sup>14</sup> 5 F. R. 1400; 3 C. F. R., Cum. Supp., page 645.

this title, or any rule, regulation, instruction, or direction issued under this title, shall to the extent thereof be a full acquittance and discharge for all purposes of the obligation of the person making the same; and no person shall be held liable in any court for or in respect of any such payment, conveyance, transfer, assignment, or delivery made in good faith in pursuance of and in reliance on the provisions of this title, or of any rule, regulation, instruction, or direction issued thereunder.

SEC. 206. The district courts of the United States are given jurisdiction to make and enter all such rules as to notice and otherwise, and all such orders and decrees, and to issue such process as may be necessary and proper in the premises to enforce the provisions of this title, with a right of appeal from the final order or decree of such court as provided in sections 1252, 1254, 1291, and 1292 of title 28, United States Code.

SEC. 207. (a) Any person who has not filed a notice of claim under subsection (b) of this section may institute a suit in equity for the return of any property, or the net proceeds thereof, vested in a designee of the President pursuant to section 202 (a) and held by such designee. Such suit, to which said designee shall be made a party defendant, shall be instituted in the District Court of the United States for the District of Columbia or in the district court of the United States for the district in which the claimant resides, or, if a corporation, where it has its principal place of business, by the filing of a complaint which alleges—

(1) that the claimant is a person other than Bulgaria, Hungary, or Rumania, or a national thereof as defined in Executive Order 8389 of April 10, 1940, as amended;<sup>15</sup> and

(2) that the claimant was the owner of such property immediately prior to its vesting, or is the successor in interest of such owner by inheritance, devise, or bequest.

If the court finds in favor of the claimant, it shall order the payment, conveyance, transfer, assignment, or delivery to said claimant of such property, or the net proceeds thereof, held by said designee or the portion thereof to which the court shall determine said claimant is entitled. If suit shall be so instituted, then such property, or, if liquidated, the net proceeds thereof, shall be retained in the custody of said designee until any final judgment or decree which shall be entered in favor of the claimant shall be fully satisfied, or until final judgment or decree shall be entered against the claimant or suit otherwise terminated.

(b) Any person who has not instituted a suit under the provisions of subsection (a) of this section may file a notice of claim under oath for the return of any property, or the net proceeds thereof, vested in a designee of the President pursuant to section 202 (a) and held by such designee. Such notice of claim shall be filed with said designee and in such form and containing such particulars as said designee shall require. Said designee may return any property so claimed, or the net proceeds thereof, whenever he shall determine—

(1) that the claimant is a person other than Bulgaria, Hungary, or Rumania, or a national thereof as defined in Executive Order 8389 of April 10, 1940, as amended; and

<sup>15</sup> 5 F. R. 1400; 3 C. F. R., Cum. Supp., page 645.

(2) that the claimant was the owner of such property immediately prior to its vesting, or is the successor in interest of such owner by inheritance, devise, or bequest.

Any person whose claim is finally denied in whole or in part by said designee may obtain review of such denial by filing a petition therefor in the United States Court of Appeals for the District of Columbia Circuit. Such petition for review must be filed within sixty days after the date of mailing of the final order of denial by said designee and a copy must be served on the said designee. Within forty-five days after service of such petition for review, or within such further time as the court may grant for good cause shown, said designee shall file an answer thereto, and shall certify and file with the court a transcript of the entire record of the proceedings with respect to such claim. The court may enter judgment affirming the order of the designee; or, upon finding that such order is not in accordance with law or that any material findings upon which such order is based are unsupported by substantial evidence, may enter judgment modifying or setting aside the order in whole or in part, and (1) directing a return of all or part of the property claimed, or (2) remanding the claim for further administrative proceedings thereon. If a notice of claim is filed under this subsection, the property which is the subject of such claim, or, if liquidated, the net proceeds thereof, shall be retained in the custody of said designee until any final order of said designee or any final judgment or decree which shall be entered in favor of the claimant shall be fully satisfied, or until a final order of said designee or a final judgment or decree shall be entered against the claimant, or the claim or suit otherwise terminated.

(c) The sole relief and remedy of any person having any claim to any property vested pursuant to section 202 (a) shall be that provided by the terms of subsection (a) or (b) of this section, and in the event of the liquidation by sale or otherwise of such property, shall be limited to and enforced against the net proceeds received therefrom and held by the designee of the President. The claim of any person based on his ownership of shares of stock or other proprietary interest in a corporation which was the owner of property at the date of vesting thereof under section 202 (a) shall be allowable under subsection (a) or (b) of this section if 25 per centum or more of the outstanding capital stock or other proprietary interest in the corporation was owned at such date by nationals of countries other than Bulgaria, Hungary, Rumania, Germany, or Japan. But no such claim of a national of a foreign country shall be satisfied except after certification by the Department of State that the country of the national accords protection to nationals of the United States in similar types of cases.

(d) The designee of the President may retain or recover from any property, or the net proceeds thereof, returned pursuant to subsection (a) or (b) of this section an amount not exceeding that expended or incurred by him for the conservation, preservation, or maintenance of such property or proceeds.

SEC. 208. (a) Any property vested in the designee of the President pursuant to section 202 (a), or the net proceeds thereof, shall be equitably applied by such designee in accordance with this section to the

payment of debts owed by the person who owned such property immediately prior to its vesting in such designee. No debt claim shall be allowed under this section—

- (1) if it is asserted against Bulgaria, Hungary, or Rumania (including the government or any political subdivisions, agencies, or instrumentalities thereof); or
- (2) if it is based upon an obligation expressed or payable in any currency other than the currency of the United States; or
- (3) if it was not due and owing—
  - (A) on October 9, 1940, in the event the property in respect of which such debt claim is filed was owned immediately prior to vesting by a national of Rumania;
  - (B) on March 4, 1941, in the event the property in respect of which such debt claim is filed was owned immediately prior to vesting by a national of Bulgaria; or
  - (C) on March 13, 1941, in the event that the property in respect of which such debt claim is filed was owned immediately prior to vesting by a national of Hungary.

Any defense to the payment of such claim which would have been available to the debtor shall be available to the designee, except that the period from and after December 7, 1941, shall not be included for the purpose of determining the applicability of any statute of limitations. Debt claims allowable under this section shall include only those of natural persons who were citizens of the United States at the dates their debtors became obligated to them; those of other natural persons who are and have been continuously since December 7, 1941, residents of the United States; those of corporations organized under the laws of the United States or any State, Territory, or possession thereof, or the District of Columbia; and those acquired by the designee of the President under this title. Successors in interest by inheritance, devise, bequest, or operation of law of debt claimants, other than persons who would themselves be disqualified hereunder from allowance of a debt claim, shall be eligible for payment to the same extent as their principals or predecessors would have been.

(b) The designee of the President under this title shall fix a date or dates after which the filing of debt claims in respect of any or all debtors shall be barred, and may extend the time so fixed, and shall give at least sixty days' notice thereof by publication in the Federal Register. In no event shall the time extend beyond the expiration of one year from the date of the last vesting in the designee of the President of any property of a debtor in respect to whose debts the date is fixed. No debt shall be paid prior to the expiration of one hundred and twenty days after publication of the first such notice in respect of the debtor, nor in any event shall any payment of a debt claim be made out of any property or proceeds in respect of which a suit or proceeding for return pursuant to this title is pending.

(c) The designee shall examine the claims, and such evidence in respect thereof as may be presented to him or as he may introduce into the record, and shall make a determination, with respect to each claim, of allowance or disallowance, in whole or in part. The determination of the designee that a claim is within either paragraph (1) or (2) of subsection (a) of this section shall be final and shall

not be subject to judicial review, and such claim shall not be considered a debt claim for any purpose under this section.

(d) Payment of debt claims shall be made only out of such money included in, or received as net proceeds from the sale, use, or other disposition of, any property owned by the debtor immediately prior to its vesting in the designee of the President, as shall remain after deduction of (1) the amount of the expenses of the designee (including both expenses in connection with such property or proceeds thereof, and such portion as the designee shall fix of his other expenses), and of taxes, as defined in section 212, paid by the designee in respect of such property or proceeds; and (2) such amount, if any, as the designee may establish as a cash reserve for the future payment of such expenses and taxes. If the money available hereunder for the payment of debt claims against the debtor is insufficient for the satisfaction of all claims allowed by the designee, ratable payments shall be made in accordance with subsection (g) of this section to the extent permitted by the money available and additional payments shall be made whenever the designee shall determine that substantial further money has become available, through liquidation of any such property or otherwise. The designee shall not be required, through any judgment of any court, levy of execution, or otherwise, to sell or liquidate any property vested in him, for the purpose of paying or satisfying any debt claim.

(e) If the aggregate of debt claims filed as prescribed does not exceed the money from which, in accordance with subsection (d) of this section, payment may be made, the designee shall pay each claim to the extent allowed, and shall serve by registered mail, on each claimant whose claim is disallowed in whole or in part, a notice of such disallowance. Within sixty days after the date of mailing of the designee's determination, any debt claimant whose claim has been disallowed in whole or in part may file in the District Court of the United States for the District of Columbia a complaint for review of such disallowance naming the designee as defendant. Such complaint shall be served on the designee. The designee, within forty-five days after service on him, shall certify and file in said court a transcript of the record of proceedings with respect to the claim in question. Upon good cause shown such time may be extended by the court. Such record shall include the claim as filed, such evidence with respect thereto as may have been presented to the designee or introduced into the record by him, and the determination of the designee with respect thereto, including any findings made by him. The court may, in its discretion, take additional evidence, upon a showing that such evidence was offered to and excluded by the designee, or could not reasonably have been adduced before him or was not available to him. The court shall enter judgment affirming, modifying, or reversing the designee's determination, and directing payment in the amount, if any, which it finds due.

(f) If the aggregate of debt claims filed as prescribed exceeds the money from which, in accordance with subsection (d) of this section, payment may be made, the designee shall prepare and serve by registered mail on all claimants a schedule of all debt claims allowed and the proposed payment to each claimant. In preparing such schedule, the designee shall assign priorities in accordance with sub-

section (g) of this section. Within sixty days after the date of mailing of such schedule, any claimant considering himself aggrieved may file in the District Court of the United States for the District of Columbia a complaint for review of such schedule, naming the designee as defendant. A copy of such complaint shall be served upon the designee and on each claimant named in the schedule. The designee, within forty-five days after service on him, shall certify and file in said court a transcript of the record of proceedings with respect to such schedule. Upon good cause shown such time may be extended by the court. Such record shall include the claims in question as filed, such evidence with respect thereto as may have been presented to the designee or introduced into the record by him, any findings or other determinations made by the designee with respect thereto, and the schedule prepared by the designee. The court may, in its discretion, take additional evidence, upon a showing that such evidence was offered to and excluded by the designee or could not reasonably have been adduced before him or was not available to him. Any interested debt claimant who has filed a claim with the designee pursuant to this section, upon timely application to the court, shall be permitted to intervene in such review proceedings. The court shall enter judgment affirming or modifying the schedule as prepared by the designee and directing payment, if any be found due, pursuant to the schedule as affirmed or modified and to the extent of the money from which, in accordance with subsection (d) of this section, payment may be made. Pending the decision of the court on such complaint for review, and pending final determination of any appeal from such decision, payment may be made only to an extent, if any, consistent with the contentions of all claimants for review.

(g) Debt claims shall be paid in the following order of priority: (1) Wage and salary claims, not to exceed \$600; (2) claims entitled to priority under sections 3466 and 3468 of the Revised Statutes (31 U. S. C., secs. 191 and 193), except as provided in subsection (h) of this section; (3) all other claims for services rendered; for expenses incurred in connection with such services, for rent, for goods and materials delivered to the debtor, and for payments made to the debtor for goods or services not received by the claimant; (4) all other debt claims. No payment shall be made to claimants within a subordinate class unless the money from which, in accordance with subsection (d) of this section, payment may be made, permits payment in full of all allowed claims in every prior class.

(h) No debt of any kind shall be entitled to priority under any law of the United States or any State, Territory, or possession thereof, or the District of Columbia, solely by reason of becoming a debt due or owing to the United States as a result of its acquisition by the designee of the President under this title.

(i) The sole relief and remedy available to any person seeking satisfaction of a debt claim out of any property vested in the designee under section 202 (a), or the proceeds thereof, shall be the relief and remedy provided in this section, and suits for the satisfaction of debt claims shall not be instituted, prosecuted, or further maintained except in conformity with this section. No person asserting any interest, right, or title in any property or proceeds acquired by the designee shall be barred from proceeding pursuant to this title for the return

thereof, by reason of any proceeding which he may have brought pursuant to this section; nor shall any security interest asserted by the creditor in any such property or proceeds be deemed to have been waived solely by reason of such proceeding. Nothing contained in this section shall bar any person from the prosecution of any suit at law or in equity against the original debtor or against any other person who may be liable for the payment of any debt for which a claim might have been filed hereunder. No purchaser, lessee, licensee, or other transferee of any property from the designee shall, solely by reason of such purchase, lease, license, or transfer, become liable for the payment of any debt owed by the person who owned such property prior to its vesting in the designee. Payment by the designee to any debt claimant shall constitute, to the extent of payment, a discharge of the indebtedness represented by the claim.

SEC. 209. The officer or agency designated by the President under this title to entertain claims under section 207 (b) and section 208 shall have power to hold such hearings as may be deemed necessary; to prescribe rules and regulations governing the form and contents of claims, the proof thereof, and all other matters related to proceedings on such claims; and in connection with such proceedings to issue subpoenas, administer oaths, and examine witnesses. Such powers, and any other powers conferred upon such officer or agency by section 207 (b) and section 208, may be exercised through subordinate officers designated by such officer or agency.

SEC. 210. No suit may be instituted pursuant to section 207 (a) after the expiration of one year from the date of vesting of the property in respect of which relief is sought. No return may be made pursuant to section 207 (b) unless notice of claim has been filed within one year from the date of vesting of the property in respect of which the claim is filed.

SEC. 211. No property or proceeds shall be returned under this title, nor shall any payment be made or judgment awarded in respect of any property vested in any officer or agency designated by the President under this title unless satisfactory evidence is furnished to said designee, or the court, as the case may be, that the aggregate of the fees to be paid to all agents, attorneys at law or in fact, or representatives, for services rendered in connection with such return or payment or judgment does not exceed 10 per centum of the value of such property or proceeds or of such payment. Any agent, attorney at law or in fact, or representative, believing that the aggregate of the fees should be in excess of such 10 per centum may, in the case of any return of, or the making of any payment in respect of, such property or proceeds by the President or such officer or agency as he may designate, petition the district court of the United States for the district in which he resides for an order authorizing fees in excess of 10 per centum and shall name such officer or agency as respondent. The court hearing such petition or a court awarding any judgment in respect of any such property or proceeds, as the case may be, shall approve an aggregate of fees in excess of 10 per centum of the value of such property or proceeds only upon a finding that there exist special circumstances of unusual hardship which require the payment of such excess. Any person accepting any fee in excess of an amount approved under this section, or retaining for

more than thirty days any portion of a fee, accepted prior to such approval, in excess of the fee as approved, shall be guilty of a violation of this title.

SEC. 212. (a) The vesting in any officer or agency designated by the President under this title of any property or the receipt by such designee of any earnings, increment, or proceeds thereof shall not render inapplicable any Federal, State, Territorial, or local tax for any period before or after such vesting.

(b) The officer or agency designated by the President under this title shall, notwithstanding the filing of any claim or the institution of any suit under this title, pay any tax incident to any such property, or the earnings, increment, or proceeds thereof, at the earliest time appearing to him to be not contrary to the interest of the United States. The former owner shall not be liable for any such tax accruing while such property, earnings, increment, or proceeds are held by such designee, unless they are returned pursuant to this title without payment of such tax by the designee. Every such tax shall be paid by the designee to the same extent, as nearly as may be deemed practicable, as though the property had not been vested, and shall be paid only out of the property, or earnings, increment, or proceeds thereof, to which they are incident or out of other property acquired from the same former owner, or earnings, increment, or proceeds thereof. No tax liability may be enforced from any property or the earnings, increment, or proceeds thereof while held by the designee except with his consent. Where any property is transferred, otherwise than pursuant to section 207 (a) or 207 (b) hereof, the designee may transfer the property free and clear of any tax, except to the extent of any lien for a tax existing and perfected at the date of vesting, and the proceeds of such transfer shall, for tax purposes, replace the property in the hands of the designee.

(c) Subject to the provisions of subsection (b) of this section, the manner of computing any Federal taxes, including without limitation by reason of this enumeration, the applicability in such computation of credits, deductions, and exemptions to which the former owner is or would be entitled, and the time and manner of any payment of such taxes and the extent of any compliance by the designee with provisions of Federal law and regulations applicable with respect to Federal taxes, shall be in accordance with regulations prescribed by the Secretary of the Treasury to effectuate this section. Statutes of limitations on assessments, collection, refund, or credit of Federal taxes shall be suspended with respect to any vested property or the earnings, increment, or proceeds thereof, while vested and for six months thereafter; but no interest shall be paid upon any refund with respect to any period during which the statute of limitations is so suspended.

(d) The word "tax" as used in this section shall include, without limitation by reason of this enumeration, any property, income, excess-profits, war-profits, excise, estate, and employment tax, import duty, and special assessment; and also any interest, penalty, additional amount, or addition thereto not arising from any act, omission, neglect, failure, or delay on the part of the designee.

SEC. 213. Prior to covering the net proceeds of liquidation of any property into the Treasury pursuant to section 202 (a), the designee of the President under this title shall determine—

(1) the amount of his administrative expenses attributable to the performance of his functions under this title with respect to such property and the proceeds thereof. The amount so determined, together with an amount not exceeding that expended or incurred for the conservation, preservation, or maintenance of such property and the proceeds thereof, and for taxes in respect of same, shall be deducted and retained by the designee from the proceeds otherwise covered into the Treasury; and

(2) that the time for the institution of a suit under section 207 (a), for the filing of a notice of claim under section 207 (b), and for the filing of debt claims under section 208 has elapsed.

The determinations of the designee under this section shall be final and conclusive.

SEC. 214. No property conveyed, transferred, assigned, delivered, or paid to the designee of the President under this title, or the net proceeds thereof, shall be liable to lien, attachment, garnishment, trustee process, or execution, or subject to any order or decree of any court, except as provided in this title.

SEC. 215. Whoever shall willfully violate any violation of this title or any rule or regulation issued hereunder, and whoever shall willfully violate, neglect, or refuse to comply with any order of the President or of a designee of the President under this title, issued in compliance with the provisions of this title shall be fined not more than \$5,000, or, if a natural person, imprisoned for not more than five years, or both; and the officer, director, or agent of any corporation who knowingly participates in such violation shall be punished by a like fine, imprisonment, or both.

### TITLE III<sup>16</sup>

#### CLAIMS AGAINST BULGARIA, HUNGARY, RUMANIA, ITALY, AND THE SOVIET UNION

SEC. 301. As used in this title the term—

(1) "Person" means a natural person, partnership, association, other unincorporated body, corporation, or body politic.

(2) "National of the United States" means (A) a natural person who is a citizen of the United States, or who owes permanent allegiance to the United States, and (B) a corporation or other legal entity which is organized under the laws of the United States, any State or Territory thereof, or the District of Columbia, if natural persons who are nationals of the United States own, directly or indirectly, more than 50 per centum of the outstanding capital stock or other beneficial interest in such legal entity. It does not include aliens.

(3) "Treaty of peace", with respect to a country, means the treaty of peace with that country signed at Paris, France, February 10, 1947,<sup>17</sup> which came into force between that country and the United States on September 15, 1947.

(4) "Memorandum of Understanding" means the Memorandum of Understanding between the United States and Italy regarding Italian assets in the United States and certain claims of nationals of the

<sup>16</sup> 22 U. S. C., chapter 21, subchapter III.  
<sup>17</sup> 61 Stat., pt. 2.

United States, signed at Washington, District of Columbia, August 14, 1947 (61 Stat. 3962).

(5) "Soviet Government" means the Union of Soviet Socialist Republics, including any of its present or former constituent republics, other political subdivisions, and any territories thereof, as constituted on or prior to November 16, 1933.

(6) "Litvinov Assignment" means (A) the communication dated November 16, 1933, from Maxim Litvinov to President Franklin D. Roosevelt, wherein the Soviet Government assigned to the Government of the United States amounts admitted or found to be due it as the successor of prior governments of Russia, or otherwise, preparatory to a final settlement of the claims outstanding between the two Governments and the claims of their nationals; (B) the communication dated November 16, 1933, from President Franklin D. Roosevelt to Maxim Litvinov, accepting such assignment; and (C) the assignments executed by Serge Ughet on August 25, 1933, and November 15, 1933, assigning certain assets to the Government of the United States.

(7) "Russian national" includes any corporation or business association organized under the laws, decrees, ordinances, or acts of the former Empire of Russia or of any government successor thereto, and subsequently nationalized or dissolved or whose assets were taken over by the Soviet Government or which was merged with any other corporation or organization by the Soviet Government.

(8) "Commission" means the Foreign Claims Settlement Commission of the United States, established pursuant to Reorganization Plan Numbered 1 of 1954 (68 Stat. 1279).<sup>18</sup>

(9) "Property" means any property, right, or interest.

Sec. 302. There are hereby created in the Treasury of the United States five funds to be known as the Bulgarian Claims Fund, the Hungarian Claims Fund, the Rumanian Claims Fund, the Italian Claims Fund, and the Soviet Claims Fund. The Secretary of the Treasury shall cover into each of the Hungarian, Rumanian, and Bulgarian Claims Funds, the funds attributable to the respective country or its nationals covered into the Treasury pursuant to subsections (a) and (b) of section 202 of this Act. The Secretary of the Treasury shall cover into the Italian Claims Fund the sum of \$5,000,000 paid to the United States by the Government of Italy pursuant to article II of the Memorandum of Understanding.<sup>19</sup> The Secretary shall cover into the Treasury the funds collected by the United States pursuant to the Litvinov Assignment (including postal funds due prior to November 16, 1933, to the Union of Soviet Socialist Republics because of money orders certified to that country for payment) and shall cover into the Soviet Claims Fund the funds so covered into the Treasury. The Secretary shall deduct from each claims fund 5 per centum thereof as reimbursement to the Government of the United States for the expenses incurred by the Commission and by the Treasury Department in the administration of this title. Such deduction shall be made before any payment is made out of such fund under section 310. All amounts so deducted shall be covered into the Treasury to the credit of miscellaneous receipts.

<sup>18</sup> 22 U. S. C. 1621.  
<sup>19</sup> 61 Stat. 3962.

SEC. 303. The Commission shall receive and determine in accordance with applicable substantive law, including international law, the validity and amounts of claims of nationals of the United States against the Governments of Bulgaria, Hungary, and Rumania, or any of them, arising out of the failure to—

(1) restore or pay compensation for property of nationals of the United States as required by article 23 of the treaty of peace with Bulgaria, articles 26 and 27 of the treaty of peace with Hungary, and articles 24 and 25 of the treaty of peace with Rumania.<sup>20</sup> Awards under this paragraph shall be in amounts not to exceed two-thirds of the loss or damage actually sustained;

(2) pay effective compensation for the nationalization, compulsory liquidation, or other taking, prior to the effective date of this title, of property of nationals of the United States in Bulgaria, Hungary, and Rumania; and

(3) meet obligations expressed in currency of the United States arising out of contractual or other rights acquired by nationals of the United States prior to April 24, 1941, in the case of Bulgaria, and prior to September 1, 1939, in the case of Hungary and Rumania, and which became payable prior to September 15, 1947.

SEC. 304. The Commission shall receive and determine, in accordance with the Memorandum of Understanding<sup>21</sup> and applicable substantive law, including international law, the validity and amount of claims of nationals of the United States against the government of Italy arising out of the war in which Italy was engaged from June 10, 1940, to September 15, 1947, and with respect to which provision was not made in the treaty of peace with Italy. Upon payment of the principal amounts (without interest) of all awards from the Italian Claims Fund created pursuant to section 302 of this Act, the Commission shall determine the validity and amount of any claim under this section by any natural person who was a citizen of the United States on the date of enactment of this title and shall, in the event an award is issued pursuant to such claim, certify the same to the Secretary of the Treasury for payment out of remaining balances in the Italian Claims Fund in accordance with the provisions of section 310 of this Act, notwithstanding that the period of time prescribed in section 316 of this Act for the settlement of all claims under this section may have expired.<sup>22</sup>

SEC. 305. (a) The Commission shall receive and determine in accordance with applicable substantive law, including international law, the validity and amounts of—

(1) claims of nationals of the United States against a Russian national originally accruing in favor of a national of the United States with respect to which a judgment was entered in, or a warrant of attachment issued from, any court of the United States or of a State of the United States in favor of a national of the United States, with which judgment or warrant of attachment a lien was obtained by a national of the United States, prior to November 16, 1933, upon any property in the United States which has been taken, collected, recovered, or liquidated

<sup>20</sup> 61 Stat., pt. 2.

<sup>21</sup> 61 Stat. 8962.

<sup>22</sup> The last sentence in this section was added by Public Law 85-604, 85th Congress.

by the Government of the United States pursuant to the Litvinov Assignment. Awards under this paragraph shall not exceed the proceeds of such property as may have been subject to the lien of the judgment or attachment; nor, in the event that such proceeds are less than the aggregate amount of all valid claims so related to the same property, exceed an amount equal to the proportion which each such claim bears to the total amount of such proceeds; and

(2) claims, arising prior to November 16, 1933, of nationals of the United States against the Soviet Government.

(b) Any judgment entered in any court of the United States or of a State of the United States shall be binding upon the Commission in its determination, under paragraph (1) of subsection (a) of this section, of any issue which was determined by the court in which the judgment was entered.

(c) The Commission shall give preference to the disposition of the claims referred to in paragraph (1) of subsection (a) of this section, over all other claims presented to it under this title.

SEC. 306. Within sixty days after the date of enactment of this title, or within sixty days after the date of enactment of legislation making appropriations to the Commission for payment of administrative expenses incurred in carrying out its functions under this title, whichever date is later, the Commission shall publish in the Federal Register the time when and the limit of time within which claims may be filed under this title, which limit shall not be more than one year after such publication, except that with respect to claims under section 305 this limit shall not exceed six months.

SEC. 307. The amount of any award made pursuant to this title based on a claim of a national of the United States other than the national of the United States to whom the claim originally accrued shall not exceed the amount of the actual consideration last paid therefor either prior to January 1, 1953, or between that date and the filing of the claim, whichever is less.

SEC. 308. The Commission shall as soon as possible, and in the order of the making of such awards, certify to the Secretary of the Treasury, in terms of United States currency, each award made pursuant to this title.

SEC. 309. All payments authorized under this title shall be disbursed exclusively from the claims fund attributable to the country with respect to which the claims are allowed pursuant to this title. All amounts covered into the Treasury to the credit of the claims funds created by section 302 are hereby permanently appropriated for the making of the payments authorized under this title.

SEC. 310. (a) The Secretary of the Treasury shall make payments on account of awards certified by the Commission pursuant to this title as follows:

(1) Payment in full of the principal amount of each award made pursuant to section 305 (a) (1) and each award of \$1,000 or less made pursuant to section 303 or 304;

(2) Payment in full of the principal amount of each award of \$1,000 or less made pursuant to section 305 (a) (2);

(3) Payment in the amount of \$1,000 on account of the principal of each award of more than \$1,000 in amount made pursuant to section 303, 304, or 305 (a) (2);

(4) After completing the payments under the preceding paragraphs of this subsection from any one fund, payments from time to time, in ratable proportions, on account of the then unpaid principal of all awards in the principal amount of more than \$1,000, according to the proportions which the unpaid principal of such awards bear to the total amount in the fund available for distribution on account of such awards at the time such payments are made;

(5) After payment has been made in full of the principal amounts of all awards from any one fund, pro rata payments from the remainder of such fund then available for distribution on account of accrued interest on such awards as bear interest.

(b) Such payments, and applications for such payments, shall be made in accordance with such regulations as the Secretary of the Treasury shall prescribe.

(c) For the purposes of making any such payments, an "award" shall be deemed to mean the aggregate of all awards certified in favor of the same claimant and payable from the same fund.

(d) With respect to any claim which, at the time of the award, is vested in persons other than the person to whom the claim originally accrued, the Commission may issue a consolidated award in favor of all claimants then entitled thereto, which award shall indicate the respective interests of such claimants therein; and all such claimants shall participate, in proportion to their indicated interests, in the payments provided by this section in all respects as if the award had been in favor of a single person.

SEC. 311. (a) If a corporation or other legal entity has a claim on which an award may be made under this title, no award may be made to any other person under this title with respect to such claim.

(b) A claim based upon an interest, direct or indirect, in a corporation or other legal entity which directly suffered the loss with respect to which the claim is asserted, but which was not a national of the United States at the time of the loss, shall be acted upon without regard to the nationality of such legal entity if at the time of the loss at least 25 per centum of the outstanding capital stock or other beneficial interest in such entity was owned, directly or indirectly, by natural persons who were nationals of the United States. This subsection shall not be construed so as to exclude from eligibility a claim based upon a direct ownership interest in a corporation, association, or other entity, or the property thereof, for loss by reason of the nationalization, compulsory liquidation, or other taking of such corporation, association, or other entity by the Governments of Bulgaria, Hungary, Italy, Rumania, or the Soviet Government. Any such claim may be allowed without regard to the per centum of ownership vested in the claimant.<sup>23</sup>

SEC. 312. No award shall be made under this title to or for the benefit of any person who voluntarily, knowingly, and without duress, gave aid to or collaborated with or in any manner served any government hostile to the United States during World War II, or who has been convicted of a violation of any provision of chapter 115, of

<sup>23</sup> The last sentence in sec. 311 (b) was added by Public Law 85-604, 85th Congress. Section 3 (b) of Public Law 85-604 also provided that "Any claim heretofore denied under subsection (b) of section 311 of the International Claims Settlement Act of 1949, as amended, prior to the date of enactment of this section, shall be reconsidered by the Foreign Claims Settlement Commission solely to redetermine its validity and amount by reason of the amendments made by this section."

title 18, of the United States Code,<sup>24</sup> or of any other crime involving disloyalty to the United States.

SEC. 313. Payment of any award made pursuant to section 303 or 305 shall not, unless such payment is for the full amount of the claim, as determined by the Commission to be valid, with respect to which the award is made, extinguish such claim, or be construed to have divested any claimant, or the United States on his behalf, of any rights against the appropriate foreign government or national for the unpaid balance of his claim or for restitution of his property. All awards or payments made pursuant to this title shall be without prejudice to the claims of the United States against any foreign government.

SEC. 314. The action of the Commission in allowing or denying any claim under this title shall be final and conclusive on all questions of law and fact and not subject to review by any other official of the United States or by any court by mandamus or otherwise, and the Comptroller General shall allow credit in the accounts of any certifying or disbursing officer for payments in accordance with such action.

SEC. 315. There are hereby authorized to be appropriated such sums as may be necessary to enable the Commission and the Treasury Department to pay their administrative expenses incurred in carrying out their functions under this title.

SEC. 316. The Commission shall complete its affairs in connection with the settlement of claims pursuant to section 305 (a) (1) not later than two years, and all other claims pursuant to this title not later than four years, following the date of enactment of this title, or following the date of enactment of legislation making appropriations to the Commission for the payment of administrative expenses incurred in carrying out its functions under this title, whichever date is later.

SEC. 317. (a) The total remuneration paid to all agents, attorneys-at-law or in fact, or representatives, for services rendered on behalf of any claimant in connection with any claim filed with the Commission shall not exceed 10 per centum of the total amount paid under this title on account of such claim, or such greater amount as may be determined pursuant to subsection (b) of this section. Any agreement to the contrary shall be unlawful and void. Whoever, in the United States or elsewhere, demands or receives, on account of services so rendered, any remuneration which, together with all remuneration paid to other persons on account of such services and of which he has notice, is in excess of the maximum permitted by this section, shall be fined not more than \$5,000 or imprisoned not more than twelve months, or both.

(b) Not later than three months after the Commission has completed its affairs in connection with the settlement of all claims payable from the fund from which an award is payable, any agent, attorney at law or in fact, or representative who believes that the total remuneration for services rendered in connection with the claim upon which such award is made should exceed the maximum otherwise permitted by this section may, pursuant to such procedure as the Commission shall prescribe by regulation, petition the Commission for an order authorizing the payment of remuneration in excess of remuneration for services rendered in connection with the claim upon

<sup>24</sup> 62 Stat. 807.

a finding that there exist special circumstances of unusual hardship which require the payment of such excess; and such order shall state the amount of the excess which may so be paid. The determination of the Commission in ruling upon such petition shall be within the sole discretion of the Commission and shall not be subject to review by any court.

SEC. 318. The following provisions of title I shall be applicable to this title: Subsections (b), (c), (d), (e), (h), and (j) of section 4; and subsections (c), (d), (e), and (f) of section 7.

#### TITLE IV<sup>25</sup>

##### CLAIMS AGAINST CZECHOSLOVAKIA

SEC. 401. As used in this title—

(1) "National of the United States," means (A) a natural person who is a citizen of the United States, or who owes permanent allegiance to the United States, and (B) a corporation or other legal entity which is organized under the laws of the United States, any State or Territory thereof, or the District of Columbia, if natural persons who are nationals of the United States own, directly or indirectly, more than 50 per centum of the outstanding capital stock or other beneficial interest in such legal entity. It does not include aliens. (2) "Commission" means the Foreign Claims Settlement Commission of the United States, established, pursuant to Reorganization Plan Number 1 of 1954 (68 Stat. 1279). (3) "Property" means any property, right, or interest.

SEC. 402. (a) The Secretary of the Treasury is directed to hold, in an account in the Treasury of the United States, the net proceeds of the sale of certain Czechoslovakian steel mill equipment heretofore blocked and sold in the United States by order of the Secretary of Treasury under authority of Executive Order Numbered 9193, dated July 6, 1942 (7 F. R. 5205, July 9, 1942).

(b) There is hereby created in the Treasury of the United States a fund to be designated the Czechoslovakian Claims Fund, for the payment of unsatisfied claims of nationals of the United States against Czechoslovakia as authorized in this title.

(c) If, within one year following the date of enactment of this title, the Government of Czechoslovakia voluntarily settles with and pays to the Government of the United States a sum in payment of claims of United States nationals against Czechoslovakia, all moneys held pursuant to subsection (a) of this section will be disposed of in accordance with the terms of the settlement agreement with Czechoslovakia and applicable provisions of this title and the sum paid by Czechoslovakia shall be covered into the Czechoslovakian Claims Fund.

(d) Upon the expiration of one year after the date of enactment of this title if no settlement with Czechoslovakia of the type specified in subsection (c) of this section has occurred, all moneys held pursuant to subsection (a) of this section except amounts held in reserve pursuant to section 403 of this title, shall be covered into the Czechoslovakian Claims Fund.

<sup>25</sup> Title IV was added by Public Law 86-604, approved August 8, 1958.

(e) The Secretary of the Treasury shall deduct from the Czechoslovakian Claims Fund 5 per centum thereof as reimbursement to the Government of the United States for the expenses incurred by the Commission and by the Treasury Department in the administration of this title. The amount so deducted shall be covered into the Treasury to the credit of miscellaneous receipts.

(f) After the deduction for administrative expenses pursuant to subsection (e) of this section, and after payment of wards certified pursuant to section 410 of this title, the balance remaining in the Fund, if any, shall be paid to Czechoslovakia in accordance with instructions to be provided by the Secretary of State.

SEC. 403. No judicial relief or remedy shall be available to any person asserting a claim against the United States or any officer or agent thereof with respect to any action taken under this title, or any other claim for or on account of the property or proceeds described in section 402 of this title, or for any other action taken with respect thereto except to the extent that the action complained of constitutes a taking of private property without just compensation, and to such extent the sole judicial relief and remedy available shall be an action brought against the United States in the United States Court of Claims which action must be brought within one year of the date of enactment of this title or it shall be forever barred; and any action so brought shall receive a preference over all actions which themselves are not given preference by statute. No other court shall have original jurisdiction to consider any such claim by mandamus or otherwise. If any action is brought pursuant to this section the Secretary of the Treasury shall set aside an appropriate reserve in the account containing the moneys held pursuant to subsection (a) of section 402 of this title. Such reserve shall be retained pending a final determination of all issues raised in the action and recovery in any such action shall be limited to and paid out of the moneys so reserved. After a final determination of all issues raised in the action and payment of any judgment against the United States entered pursuant thereto, any balance no longer required to be held in reserve shall be disposed of in accordance with the provisions of subsection (d) of section 402 of this title. Nothing in this section shall be construed to create (1) any liability against the United States for any action taken pursuant to section 404 of this title, (2) any liability against the United States in favor of the Government of Czechoslovakia, any agency or instrumentality thereof or any person who is an assignee or successor in interest thereto, or (3) any other liability against the United States.

SEC. 404. The Commission shall determine in accordance with applicable substantive law, including international law, the validity and amount of claims by nationals of the United States against the Government of Czechoslovakia for losses resulting from the nationalization or other taking on and after January 1, 1945, of property including any rights or interests therein owned at the time by nationals of the United States, subject, however, to the terms and conditions of an applicable claims agreement, if any, concluded between the Governments of Czechoslovakia and the United States within one year following the date of enactment of this title. In making the determination with respect to the validity and amount of claims and value of properties, rights, or interests taken, the Commission is authorized

to accept the fair or proved value of the said property, right, or interest as of a time when the property or business enterprise taken, was last operated, used, managed or controlled by the national or nationals of the United States asserting the claim irrespective of whether such date is prior to the actual date of nationalization or taking by the Government of Czechoslovakia.

SEC. 405. A claim under section 404 of this title shall not be allowed unless the property upon which the claim is based was owned by a national of the United States on the date of nationalization or other taking thereof and unless the claim has been held by a national of the United States continuously thereafter until the date of filing with the Commission.

SEC. 406. (a) A claim under section 404 of this title based upon an ownership interest in any corporation, association, or other entity which is a national of the United States shall be denied.

(b) A claim under section 404 of this title, based upon a direct ownership interest in a corporation, association, or other entity for loss by reason of the nationalization or other taking of such corporation, association, or other entity, or the property thereof, shall be allowed, subject to other provisions of this title, if such corporation, association, or other entity on the date of the nationalization or other taking was not a national of the United States, without regard to the per centum of ownership vested in the claimant in any such claim.

(c) A claim under section 404 of this title, based upon an indirect ownership interest in a corporation, association, or other entity for loss by reason of the nationalization or other taking of such corporation, association, or other entity, or the property thereof, shall be allowed, subject to other provisions of this title, only if at least 25 per centum of the entire ownership interest thereof at the time of such nationalization or other taking was vested in nationals of the United States.

(d) Any award on a claim under subsection (b) or (c) of this section shall be calculated on the basis of the total loss suffered by such corporation, association, or other entity, and shall bear the same proportion to such loss as the ownership interest of the claimant bears to the entire ownership interest thereof.

SEC. 407. In determining the amount of any award by the Commission there shall be deducted all amounts the claimant has received from any source on account of the same loss or losses with respect to which such award is made.

SEC. 408. With respect to any claim under section 404 of this title which, at the time of the award, is vested in persons other than the person by whom the loss was sustained, the Commission may issue a consolidated award in favor of all claimants then entitled thereto, which award shall indicate the respective interests of such claimants therein, and all such claimants shall participate, in proportion to their indicated interests, in the payments authorized by this title in all respects as if the award had been in favor of a single person.

SEC. 409. No award shall be made on any claim under section 404 of this title to or for the benefit of (1) any person who has been convicted of a violation of any provision of chapter 115, title 18, of the United States Code, or of any other crime involving disloyalty to the

United States, or (2) any claimant whose claim under this title is within the scope of title III of this Act.

SEC. 410. The Commission shall certify to the Secretary of the Treasury, in terms of United States currency, each award made pursuant to this title.

SEC. 411. Within sixty days after the enactment of this title or of legislation making appropriations to the Commission for payment of administrative expenses incurred in carrying out its functions under this title, whichever date is later, the Commission shall give public notice by publication in the Federal Register of the time when, and the limit of time within which claims may be filed, which limit shall not be more than twelve months after such publication.

SEC. 412. The Commission shall complete its affairs in connection with the settlement of claims pursuant to this title not later than three years following the final date for the filing of claims as provided in section 411 of this title or following the enactment of legislation making appropriations to the Commission for payment of administrative expenses incurred in carrying out its functions under this title, whichever date is later.

SEC. 413. (a) The Secretary of the Treasury is authorized and directed, out of the sums covered into the Czechoslovakian Claims Fund, to make payments on account of awards certified by the Commission pursuant to this title as follows and in the following order of priority:

(1) Payment in the amount of \$1,000 or in the amount of the award, whichever is less.

(2) Thereafter, payments from time to time on account of the unpaid balance of each remaining award made pursuant to this title which shall bear to such unpaid balance the same proportion as the total amount in the fund available for distribution at the time such payments are made bears to the aggregate unpaid balance of all such awards.

(b) Such payments, and applications for such payments, shall be made in accordance with such regulations as the Secretary of the Treasury shall prescribe.

(c) For the purpose of making any such payments, an "award" shall be deemed to mean the aggregate of all awards certified in favor of the same claimant.

(d) If any person to whom any payment is to be made pursuant to this title is deceased or is under a legal disability, payment shall be made to his legal representative, except that if any payment to be made is not over \$1,000 and there is no qualified executor or administrator, payment may be made to the person or persons found by the Comptroller General to be entitled thereto, without the necessity of compliance with the requirements of law with respect to the administration of estates.

(e) Subject to the provisions of any claims agreement hereafter concluded between the Governments of Czechoslovakia and the United States, payment of any award pursuant to this title shall not, unless such payment is for the full amount of the claim, as determined by the Commission to be valid, with respect to which the award is made, extinguish such claim, or be construed to have divested any claimant, or the United States on his behalf, of any rights against any foreign government for the unpaid balance of his claim.

SEC. 414. No remuneration on account of services rendered on behalf of any claimant in connection with any claim filed with the Commission under this title shall exceed 10 per centum of the total amount paid pursuant to any award certified under the provisions of this title on account of such claim. Any agreement to the contrary shall be unlawful and void. Whoever, in the United States or elsewhere, demands or receives, on account of services so rendered, any remuneration in excess of the maximum permitted by this section, shall be guilty of a misdemeanor, and, upon conviction thereof, shall be fined not more than \$5,000 or imprisoned not more than twelve months, or both.

SEC. 415. The Secretary of State is authorized and directed to transfer or otherwise make available to the Commission such records and documents relating to claims authorized by this title as may be required by the Commission in carrying out its functions under this title.

SEC. 416. To the extent they are not inconsistent with the provisions of this title, the following provisions of title I shall be applicable to this title: Subsections (b), (c), (d), (e), (h), and (j) of section 4; subsections (c), (d), (e), and (f) of section 7.

SEC. 417. There are hereby authorized to be appropriated such sums as may be necessary to enable the Commission and the Treasury Department to pay their administrative expenses incurred in carrying out their functions under this title.<sup>26</sup>

<sup>26</sup> Public Law 285, approved August 9, 1955, consisted entirely of amendments to Public Law 455, approved March 10, 1950, except for sec. 4 which reads as follows:

"Sec. 4. Public Resolution Numbered 36, Seventy-Sixth Congress, approved August 4, 1939 (53 Stat. 1199), entitled 'Resolution to provide for the adjudication by a Commissioner of Claims of American nationals against the Government of the Union of Soviet Socialist Republics', is hereby repealed."

Public Law 85-604, 85th Congress, approved August 8, 1958, consisted entirely of amendments to Public Law 455, approved March 10, 1950, except for the material in section 3 (b) noted in footnote 23, and the following:

"Sec. 4. If any provision of this Act, or the application thereof to any person or circumstances, shall be held invalid, the remainder of the Act, or the application of such provision to other persons or circumstances, shall not be affected."

## 5. North Atlantic Treaty

Text of the North Atlantic Treaty, 63 Stat. 2241, Treaties and Other International Acts Series 1964; Signed at Washington, April 4, 1949; Ratification Advised by the Senate July 21, 1949; Ratified by the President July 25, 1949; Proclaimed by the President and Entered Into Force August 24, 1949; as Modified by Article II of the Protocol to the North Atlantic Treaty on the Accession of Greece and Turkey, Treaties and Other International Act Series 2390; Signed at London, October 17, 1951; Ratification Advised by the Senate February 7, 1952; Ratified by the President February 11, 1952; Entered Into Force February 15, 1952

The Parties to this Treaty<sup>1</sup> reaffirm their faith in the purposes and principles of the Charter of the United Nations and their desire to live in peace with all peoples and all governments.

They are determined to safeguard the freedom, common heritage and civilization of their peoples, founded on the principles of democracy, individual liberty and the rule of law.

They seek to promote stability and well-being in the North Atlantic area.

They are resolved to unite their efforts for collective defense and for the preservation of peace and security.

They therefore agree to this North Atlantic Treaty:

### ARTICLE 1

The Parties undertake, as set forth in the Charter of the United Nations, to settle any international disputes in which they may be involved by peaceful means in such a manner that international peace and security, and justice, are not endangered, and to refrain in their international relations from the threat or use of force in any manner inconsistent with the purposes of the United Nations.

### ARTICLE 2

The Parties will contribute toward the further development of peaceful and friendly international relations by strengthening their free institutions, by bringing about a better understanding of the principles upon which these institutions are founded, and by promoting conditions of stability and well-being. They will seek to eliminate conflict in their international economic policies and will encourage economic collaboration between any or all of them.

### ARTICLE 3

In order more effectively to achieve the objectives of this Treaty, the Parties, separately and jointly, by means of continuous and effective

<sup>1</sup> Belgium, Canada, Denmark, France, Germany, Greece, Iceland, Italy, Luxembourg, Netherlands, Norway, Portugal, Turkey, United Kingdom, and the United States. Germany became party to the North Atlantic Treaty by virtue of the Protocol to the North Atlantic Treaty on the Accession of the Federal Republic of Germany; Signed at Paris, October 23, 1954; Ratification advised by the Senate April 1, 1955; Ratified by the President April 7, 1955; Entered into Force May 5, 1955.

self-help and mutual aid, will maintain and develop their individual and collective capacity to resist armed attack.

ARTICLE 4

The Parties will consult together whenever, in the opinion of any of them, the territorial integrity, political independence or security of any of the Parties is threatened.

ARTICLE 5

The Parties agree that an armed attack against one or more of them in Europe or North America shall be considered an attack against them all; and consequently they agree that, if such an armed attack occurs, each of them, in exercise of the right of individual or collective self-defense recognized by Article 51 of the Charter of the United Nations, will assist the Party or Parties so attacked by taking forthwith, individually and in concert with the other Parties, such action as it deems necessary, including the use of armed force, to restore and maintain the security of the North Atlantic area.

Any such armed attack and all measures taken as a result thereof shall immediately be reported to the Security Council. Such measures shall be terminated when the Security Council has taken the measures necessary to restore and maintain international peace and security.

ARTICLE 6<sup>2</sup>

For the purpose of Article 5, an armed attack on one or more of the Parties is deemed to include an armed attack—

- (i) on the territory of any of the Parties in Europe or North America, on the Algerian Departments of France, on the territory of Turkey or the islands under the jurisdiction of any of the Parties in the North Atlantic area north of the Tropic of Cancer;
- (ii) on the forces, vessels or aircraft of any of the Parties, when in or over these territories or any other area in Europe in which occupation forces of any of the Parties were stationed on the date when the Treaty entered into force or the Mediterranean Sea or the North Atlantic area north of the Tropic of Cancer.

ARTICLE 7

The Treaty does not affect, and shall not be interpreted as affecting, in any way the rights and obligations under the Charter of the Parties which are members of the United Nations, or the primary responsibility of the Security Council for the maintenance of international peace and security.

<sup>2</sup> As modified by the Protocol on the Accession of Greece and Turkey. The Article originally read as follows:

"ARTICLE 6

"For the purpose of Article 5 an armed attack on one or more of the Parties is deemed to include an armed attack on the territory of any of the Parties in Europe or North America, on the Algerian departments of France, on the occupation forces of any Party in Europe, on the islands under the jurisdiction of any Party in the North Atlantic area north of the Tropic of Cancer or on the vessels or aircraft in this area of any of the Parties."

ARTICLE 8

Each Party declares that none of the international engagements now in force between it and any other of the Parties or any third state is in conflict with the provisions of this Treaty, and undertakes not to enter into any international engagements in conflict with this Treaty.

ARTICLE 9

The Parties hereby establish a council, on which each of them shall be represented, to consider matters concerning the implementation of this Treaty. The council shall be so organized as to be able to meet promptly at any time. The council shall set up such subsidiary bodies as may be necessary; in particular it shall establish immediately a defense committee which shall recommend measures for the implementation of Articles 3 and 5.

ARTICLE 10

The Parties may, by unanimous agreement, invite any other European state in a position to further the principles of this Treaty and to contribute to the security of the North Atlantic area to accede to this Treaty. Any state so invited may become a party to the Treaty by depositing its instrument of accession with the Government of the United States of America. The Government of the United States of America will inform each of the Parties of the deposit of each such instrument of accession.

ARTICLE 11

This Treaty shall be ratified and its provisions carried out by the Parties in accordance with their respective constitutional processes. The instruments of ratification shall be deposited as soon as possible with the Government of the United States of America, which will notify all the other signatories of each deposit. The Treaty shall enter into force between the states which have ratified it as soon as the ratification of the majority of the signatories, including the ratifications of Belgium, Canada, France, Luxembourg, the Netherlands, the United Kingdom and the United States, have been deposited and shall come into effect with respect to other states on the date of deposit of their ratifications.

ARTICLE 12

After the Treaty has been in force for ten years, or at any time thereafter, the Parties shall, if any of them so requests, consult together for the purpose of reviewing the Treaty, having regard for the factors then affecting peace and security in the North Atlantic area, including the development of universal as well as regional arrangements under the Charter of the United Nations for the maintenance of international peace and security.

ARTICLE 13

After the Treaty has been in force for twenty years, any Party may cease to be a party one year after its notice of denunciation has been

given to the Government of the United States of America, which will inform the Governments of the other Parties of the deposit of each notice of denunciation.

ARTICLE 14

This Treaty, of which the English and French texts are equally authentic, shall be deposited in the archives of the Government of the United States of America. Duly certified copies thereof will be transmitted by that Government to the Governments of the other signatories.

